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Editorial AS WE SEE IT

It is of some importance that all of us understand the basic nature of the issues that are now plaguing the United Nations. In the final analysis they are not always what they seem or what they are popularly supposed to be. The same is true of the negotiations which will presently (so we must all hope) be under way between Russia and certain of the Western powers. One is likely to think of them solely as a contest between Marxist socialism or communism and what is known as free enterprise. It is a fact that the powers lined up on the two sides of these issues are for the most part communist nations on the one hand and non-communist peoples on the other. It is also true that the communists think of themselves as being on the march—a march that would engulf the remainder of the world. Thus it is often said that the struggle is for men's minds.

Viewed Historically

The facts, however, are not nearly so simple as all this would make them sound. The truth of the matter is even if neither side to the disputes of the day may fully realize it—that we have here a recrudescence in somewhat different form and employing very different tactics of the old, old struggle of imperialists (which Marx and the others were and are so fond of denouncing) for an extension of their power and control over the resources and peoples of the world. There was a time, of course, when some of the so-called free nations were hungry for more power and more wealth to be found at the far corners of the globe. Among them, of course, was Russia. For the most part these imperialists, or as the Soviets like to call them, colonial powers, in some instances at least temporarily satisfied their ambitions. Britain used to boast that the sun never set upon her Empire. At one time or another in the course of history one country after another was able to extend their domain over large and important areas.

The struggles for these lands and resources and peoples, not so much between the (Continued on page 27)

The Outlook for Business and Interest Rate Levels in 1962

By John J. Balles,* Vice-President and Economist, Mellon National Bank and Trust Co., Pittsburgh, Pa.

Sector-by-sector analysis of key economic outlook factors perceives: (1) 1961's GNP gaining about 3% over last year to a \$520 billion level; (2) the year following offering prospects for new highs tentatively estimated at a 9% increase to \$565 billion level; and (3) industrial production averaging out to a 10% rise to a level of around 120. Present modest rise in bank loans is expected to increase gradually in response to rising capital expenditures, mounting inventories and growing consumer borrowing. Monetary restraint is depicted likely to occur by the end of 1961 or early 1962 when job opportunities are anticipated being able to keep pace with labor force growth.

The current business outlook stands in sharp contrast to that which prevailed early last October. Economic activity is now rising vigorously, and the main questions for the future involve the pace and duration of the expansion. In last year's forecast, after calling attention to developing weaknesses in key parts of the economy, I expressed the opinion that a mild recession was underway, that it might be the least severe of the postwar downturns, that the decline would probably be halted by mid-year, and that business activity could reach new highs by the end of 1961. I also noted the prospective declines in general credit demands and in interest rates that would accompany this downturn, but pointed out that interest rates were unlikely to drop as much as in the 1958 recession and would show some recovery in the latter half of 1961. In broad outline, this projected pattern of



John J. Balles

events subsequently developed, although the upturn began a little sooner than I had anticipated.

A second but unfavorable contrast with a year ago, unfortunately, is the ominous turn for the worse in the international situation. Among other things, rising international tensions have helped to create unusually low visibility at present as to the economic future—which is only imperfectly visible at best. For example, the direct and indirect effects of the Berlin crisis have already necessitated some upward revision of economic forecasts made as recently as mid-year. In attempting to assess future business prospects, therefore, I will assume that no overt military conflict will develop, and consequently no further major additions to defense spending beyond those already announced. Even a limited Korea-type war could radically change the pace and composition of business activity, as your recollections of 1950 will remind you. And it goes without saying that any nuclear war would make utterly irrelevant any current assessment of business prospects.

On a less serious but still important matter, I also assume that the current work-stoppage in the auto industry will be settled quickly and that there will be no extended steel strike, as in 1959, upon the termination of the present contract in mid-1962. If either or both of those assumptions are wide of the mark, the pattern of business developments would be somewhat altered.

The Current Setting

In beginning our analysis, let us first examine some highlights of the current business climate. Broadly speaking, recovery from the recession is now complete, and business activity is moving into a new high ground. This is indicated, for example, by the current levels of Gross National Product, industrial production, construction outlays, and personal income. While some important areas have not yet recovered to pre-recession peaks, such as retail sales, a large part of the previous losses has been regained and further progress in these areas is expected. Taking (Continued on page 22)

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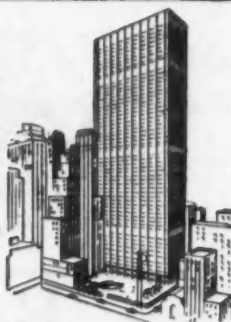
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Partner, Crowell, Weedon & Co.,
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Sunset House Distributing Corp.

Sunset House set new records for sales and earnings in fiscal year ending June 30, 1961. Sales totaled \$7.4 million, up 27% from \$5.8 million the previous fiscal year and earnings were \$0.78 per share, a 10% increase over the \$0.71 earned in fiscal 1960. The increase in earnings is particularly significant in view of the extraordinary expenses incurred during the company's move to new and larger facilities last October, and the additional expenses connected with a special seasonal advertising campaign last December.

Sunset House operates a retail mail order business distributing selected general merchandise to customers located throughout the United States. From modest beginnings in 1951, the company has established an enviable growth record equal to many "glamour" issues, and today the company has a well established position in the mail order field, offering about 1,500 different items to approximately 2,500,000 customers located in all 50 states.

Merchandise is generally in the categories of household goods, gadgets, giftware, toys, stationery items, auto accessories and novelties. The company attempts to carry items which can be sold for less than \$5 and which are suitable for mailing.

Customers are reached through national advertising and through the company's own direct mail catalogs.

The catalogs are distributed to customers and prospective customers six or seven times a year. Each catalog contains from 48 to 80 pages and covers more than 1,500 items carried in stock. New items are continually added and items which have proven to be less profitable are eliminated.

Sales to mail order customers are made for cash, check, or money order, no COD or credit. If a customer for any reason is not pleased with a purchase, the purchase price is refunded without question. Return sales amount to approximately 1½% of sales. In addition to its mail order business, the company operates two retail stores.

The President and Chief Executive Officer is Mr. Leonard P. Carlson, who operated the company as a proprietorship until its incorporation in February, 1957. Vice-President and Treasurer is Mr. Milton Eisenberg, who has been associated with the company since 1953. Mr. Eisenberg is a systems expert and is largely responsible for the company's very efficient inventory control. Mr. Carlson owns 60% and Mr. Eisenberg owns 10% of total shares outstanding.

Mail order plant, warehouse, and executive offices are located in modern, spacious facilities, owned by the company, on La Cienega Boulevard in Los Angeles, Calif.

Capitalization consists solely of 166,667 shares of common stock and 333,333 shares of class B common. The two classes of common are equal in every respect, except that class B is not entitled to dividends. The class B stock, which is held by the management, was convertible into common after April 15, 1961, share

for share, on a limited basis. No class B had been converted as of June 30, 1961.

Sunset House's catalog and merchandise is shipped by third class mail and by parcel post. During the last few years these postal rates have been subject to several increases. The company has in the past offset these added expenses by charging mail order customers larger postage and handling fees. It is expected that possible future increases in postal rates will be offset in the same manner with no important effect on the company's earnings.

The management's outstanding ability to predict public taste and to control inventories has been instrumental in the company's success. The move into new and efficient facilities should also aid operations, and profit margins are expected to improve over last year. With a mailing list of approximately 2,500,000 customers, it is not unreasonable to expect that the company will expand its operations to cover other types of merchandise than those handled at the present time. The opportunities in the mail order field are many.

With the national economy coming out of the recession and personal income higher than ever, the outlook for Sunset House appears bright indeed. While it is early to estimate results for the current fiscal year with any accuracy, it does not appear unreasonable to expect earnings of about \$1 per share. Based on the present market price of about 17, the stock, traded in the Over-the-Counter Market, appears reasonably priced and I recommend the issue for accounts looking for capital gains.

LOUIS J. ZITNIK

Partner, Mitchum, Jones & Templeton,
Los Angeles, Calif.

Security Title Insurance Company

The second largest title insurance company in California, Security Title Insurance capital stock is my candidate for semi-conservative long-term participation in the growth of California. The near term outlook is also favorable with higher earnings assured for 1961. The capital stock provides a modest yield with dividends having been increased in four of the last five years.

While Security Title was incorporated in 1920, its origins can be traced back through 40 companies, most of which had their beginnings in the formative days of California. In 1960, the company received a medal from the State of California to commemorate its 100th year of business in the State.

Security Title writes title insurance and conducts an escrow service through 31 operating offices in 29 counties in California, serving most of the heavily populated areas in the central and southern portions of the Golden State. Title policies are also issued through underwriting agree-



Louis J. Zitnik

**This Week's
Forum Participants and
Their Selections**

Sunset House Distributing Corp.—

George W. Weedon, Partner,
Crowell, Weedon & Co., Los
Angeles, Calif. (Page 2)

Security Title Insurance Company

—Louis J. Zitnik, Partner, Mit-
chum, Jones & Templeton, Los
Angeles, Calif. (Page 2)

ments in 10 additional counties in California and in the States of Washington and Utah.

A policy of title insurance is a written instrument which insures a homeowner, or owner of any other class of real estate, against loss by reason of the condition of title to such real estate being otherwise than as stated in the policy. Because of the protection afforded to buyers, title insurance companies play a vital role in the transfer of real estate in California. Almost without exception lending agencies require a title insurance policy as a prior condition to the lending of money on real estate and title policies were issued in substantially all of the transfer of real estate in the areas served by the company in 1960. It is significant to note that California accounts for one-third of all title business handled throughout the nation.

Title insurance premiums are based on the valuation of the property covered and are not regulated by law, except that once fees are posted they must be adhered to. Various title companies serving a particular county generally charge the same fees. Loss ratios for Security Title have averaged less than 1% during the last five years. Competition in the California industry is limited with Title Insurance & Trust and Security Title Insurance dominating the field. The title records of these companies have been built up over a period of years and could not be duplicated by a new company except at exorbitant costs.

In 1960, Security Title had income from operations of \$15,671,000 and a net income of \$1,457,000, equal to 66 cents per capital share on the 2,213,375 shares outstanding. Earnings declined from the record 1959 peak due to recessionary influences and expenses of integration and expansion of Land Title Insurance, the third largest title company in California, which was acquired at year-end 1959. Nevertheless, 1960 earnings were approximately three times the 1950 per share performance. Adjusting for stock splits, Security Title capital stock advanced from \$1 per share at the beginning of 1950 to an average bid price of \$12 per share in 1960. (Bid price on Sept. 27, 1961 was 13½.) Stock is traded in the Over-the-Counter Market.

After a slow first quarter of 1961, gross volume in the three months ended June 30 exceeded the like 1960 period by 2% while net income was up 42%. This reflects a sharp reduction in operating expenses and any further improvement in volume should result in substantially higher earnings. For all of 1961, earnings should range between 80 cents and 90 cents per share, and this upward trend is expected to carry into 1962. With a strong working capital position and only nominal cash requirements, a liberal dividend policy can be pursued. Quarterly dividends are currently paid at the rate of 50 cents per share.

Continued on page 8

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The Buoyant U. S. Economy And Multilateral Borrowings

By Honorable Douglas Dillon,* Secretary of the Treasury and
United States Governor of the International Monetary Fund
and the International Bank.

Firm statement of our implacable goal to maintain the dollar's foreign exchange par value accompanies declaration of support for new plan of standby currency loans to the Fund. Mr. Dillon asseverates our Administration insists on balancing the fiscal 1963 budget; shows that this year's short-term capital outflows reflect growing banking-financial trade and not speculative funds; finds the business outlook "is very promising" for the coming year; and exhorts American producers to intensify their efforts to expand exports. Turning to member IMF countries, he asks surplus countries to pursue liberal trade policies, increase long-term foreign aid, and share common defense spending commensurate with their capacities.

During the past year the International Monetary Fund, under the distinguished leadership of Per Jacobsson, has again demonstrated its vital importance to world monetary stability and economic growth.

The role of the Fund is being further enhanced at this meeting where we have the privilege of welcoming to our deliberations 10 new countries—the largest increase in a single year's operations since the Fund's inception. It is a particular pleasure for me to welcome to our midst our good friends from Cyprus, Laos, Liberia, Nepal, New Zealand, Nigeria, Portugal, Senegal, Sierra Leone and Togo.

Since we met a year ago in Washington, \$2.4 billion has been drawn from the Fund. A major part of that was the recent drawing by the United Kingdom, but 21 other member countries made drawings totalling more than \$900 million. There are also 20 standby arrangements in effect, with unused drawing rights totalling \$1.2 billion.

Fund assistance in the past year has both strengthened the structure of currency convertibility in the industrialized countries and helped many of the developing countries to adopt or maintain programs of financial and monetary stabilization. The Fund has come to occupy a central position in international monetary affairs—a role I am confident will be of ever-increasing importance to all our member countries in the years ahead.

A few years ago, almost all drawings from the Fund were in dollars. Since the advent of currency convertibility in Western Europe, however, the Fund has made great progress in using a larger number of the currencies it holds, thus increasing the percentage of drawings in currencies other than United States dollars. During the past year, 11 different currencies were drawn from the Fund, and two-thirds of the total drawings were in currencies other than the dollar. This is an encouraging development. It has

made a reality of the original concept of the Fund as a reserve pool of many currencies for the use of members.

Last year the Fund's advisory activities continued on a broad scale. Wherever member countries have sought to deal effectively with financial instability—by strengthening their fiscal resources, by controlling money and credit, or by otherwise improving their financial institutions—they have been able to rely on the staff of the Fund for expert and objective advice.

Stabilization vs. Growth

The stabilization programs many members of the Fund have worked out and put into operation—usually with Fund advice—have at times been criticized on the ground that they have supposedly imposed a choice between stagnation and economic growth. I do not believe that this is a correct appraisal of the role played by financial stabilization in economic development. I agree with the opinion expressed by Mr. Jacobsson that the aim of a well-designed stabilization program is to eliminate inflation, not only as a source of balance of payments disequilibrium, but also as an obstacle to economic growth. Financial stability can thus assist economic growth which, together with social progress, must be the major objective of development policy.

Of course, financial stability cannot of itself cure all the problems of economic growth that beset the developing countries. Effective development planning, basic internal reforms, and adequate capital from both external and internal sources—all are necessary. This is well recognized by the Fund, which is, as it should be, the partner of economic development institutions, national and international, in coordinated efforts to increase the flow of external assistance and to help the developing countries make the best use of their own domestic resources.

I turn now to the economy of the United States and the status of our international balance of payments.

The U. S. Economy

The recovery of the United States' economy, following the mildest of our postwar recessions is well under way and moving strongly. The low point of eco-

Continued on page 26



Douglas Dillon

CONTENTS

Articles and News	Page
The Outlook for Business and Interest Rate Levels in 1962 —John J. Balles	Cover
The Buoyant U. S. Economy and Multilateral Borrowings —Hon. Douglas Dillon	3
Zenith Justifies Its Name—Ira U. Cobleigh	4
Why Changes Are Needed in Federal Reserve System —Marriner S. Eccles	7
Savings and Loan Units Must Diversify Activities —C. Elwood Knapp	10
Government Loan Insurance Program—and Credit Policy —Frances Wells Quantius	11
Government by Blackmail—M. R. Lefkoe	12
Growing Development of Bank-Affiliated SBICs —Phil David Fine	13
Profaning Our Monetary System Invites Disaster —Joseph Mosby Hornor	14
Some Pertinent Questions Regarding Fallout Shelters —Roger W. Babson	18
N. Y. State Banks Association Announces Convention Details	8
IBA Receives 1962 Slate	17
Why 1960's Profits Are 75% Higher Than 1950's Identical Earnings	21
Regular Features	
As We See It (Editorial)	Cover
Bank and Insurance Stocks	26
Coming Events in the Investment Field	48
Dealer-Broker Investment Recommendations	8
Einzig: "Deplores British Ford's Wage Rise Agreement"	9
From Washington Ahead of the News—Carlisle Barger	15
Indications of Current Business Activity	30
Market . . . and You (The)—Wallace Streete	17
Mutual Funds—Joseph C. Potter	28
News About Banks and Bankers	20
NSTA Notes	18
Observations—A. Wilfred May	4
Our Reporter on Governments	19
Public Utility Securities	12
Securities Now in Registration	31
Prospective Security Offerings	46
Security I Like Best (The)	2
Security Salesman's Corner	22
State of Trade and Industry (The)	5
Tax-Exempt Bond Market—Donald D. Mackey	6
Washington and You	48

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Zenith Justifies Its Name

By Dr. Ira U. Cobleigh, *Enterprise Economist*

A current picture of this outstanding performer in consumer electronics, with some observations on its products, potentials and profit margins.

The word "zenith" in the dictionary means "highest point" and a synonym for it is "summit". Accordingly, one might observe that, rated on its performance over the last three years, Zenith Radio Corporation has definitely lived up to its billing. It's at or near a top in total sales and, for the third year in a row, it is leading the industry in production of TV sets. Its output accounts for about 20% of the total market. Zenith sold over one million television receivers in 1959 and again in 1960, and seems certain to do so again in 1961.

This sales leadership in so highly competitive a business is a considerable tribute to highly competent management, not just today, but over a 40-year period. For not only does Zenith lead in sales but its earnings on sales, and per dollar of invested capital, also, top its competitors. Since 1958 it has been converting 6% of sales into net after taxes.

Quality Products

How does Zenith do it? First of all is the dedication to quality production. For example while others in the trade have switched to printed circuitry (much lower in cost) Zenith has stuck to hand wired circuits in its sets. As a result Zenith units are more dependable in operation, and easier to fix if anything goes wrong. Zenith's continuous accent on quality of product and performance has built up a loyal and effective dealer organization. Zenith has also given its dealers the benefits of close product and inventory control. Accordingly, the market has not been glutted, and relative price stability has resulted, removing the necessity for any drastic price cutting.

Not only in quality but in technology has Zenith exerted leadership. It was early in the production of portables; in 1956 it introduced its Space Command remote control device whereby the set can be tuned and switched to other channels from an armchair across the room; and in 1960 it introduced the "Gold Video Guard Turret Tuner" assuring the finest picture reception, even in weak signal and fringe areas. Zenith's pace setting in the trade is all the more remarkable since it was the last to enter TV production and did not market a set until 1948.

Color TV

Zenith entered color TV this year. RCA began color production back in 1954 and has spent, according to some estimates, over \$125 million in developing this market. It has turned out prob-

ably 800,000 sets in the past 7½ years. Public acceptance was slow and set prices stayed up. Zenith now thinks the time is ripe for a real upsurge in color TV. Its sets run in the \$350 to \$375 price range to dealers, and Zenith, according to Chairman Hugh Robertson, hopes to produce 100,000 color sets in 1962. Sale of these may reduce black and white sales, but the color models should carry a much higher profit margin.

Radio and FM

Before TV, Zenith had built a solid reputation for excellence in radios, and the company is today a leading factor in FM radios and transistor portables. The decision of the Federal Communications Commission last April approving a system of stereo-phonetic FM radio broadcasting opened up a broad new market for FM receivers. While some makers have come out with "adapters" which, for as little as \$10, can convert existing sets over to FM reception, Zenith views this makeshift method with disdain. The Zenith line offers complete FM sets engineered and equipped for faithful stereo reception, and selling roughly \$40 a unit above its equivalent models for plain radio.

Hearing Aids

Zenith pioneered in the mass production of hearing aids, and sales in this division account for about 5% of the company total. Introduction of transistorized models has broadened public acceptance but, even today, it is estimated that only about 20% of the potential market here has been reached.

Zenith has been primarily concerned with the consumer electronics. It has not, like many of its competitors, sought entry into appliances — washers, refrigerators, etc. It is, however, placing increased stress on the non-consumer market and is doing significant research and development work in such sophisticated areas as microwave communication, infrared, semi-conductors, and parametric amplifiers.

Pay-Television

For the future, one of the features lending romance to Zenith shares is its possible exploration of much publicized and highly controversial pay television. Zenith has developed PHONEVISION, a system of broadcasting TV programs over the air in such a way that the subscribers need a special decoder in order to receive them. This decoder notes what programs the viewer looks at and arranges for customer billing at

presumably 25c to \$3.50 a program depending on whether it's a ball game, a prize fight, or a theater opening night.

PHONEVISION is to get an actual tryout in Hartford, Conn., next year. RKO-General will underwrite the programming and transmission costs and derive most of the revenue from this end. But Zenith figures to prosper from manufacture (and licensing) of decoders, from subsidiary operating companies, from increased sale of TV sets and through its affiliate Teco, Inc. in establishing PHONEVISION in many cities, and in agency commissions from program bookings.

Zenith is not the only one looking at this fabulous potential (\$2 billion a year) Pay TV market. There is TELEMETER, a wired system, controlled by Paramount, that has been operation tested for the past year in the Toronto area. (No FCC approval is necessary for intrastate closed circuit [wired] transmission.) And there's the SUBSCRIBER-VISION SYSTEM, patented by Skiatron Electronics and Television Corporation, which permits transmission by either over-the-air broadcasting or by wire. SUBSCRIBER-VISION was extensively tested in New York in a series of broadcasts between 1950 and 1958. It offers the advantages of dual application and electronic billing.

There can be no doubt that Pay-TV, if and when it comes, will be a big thing. Zenith has a \$10 million investment in its future.

Rewarding Stock

For its stockholders Zenith has been a rewarding investment. Since 1951 sales have risen from \$110 million to \$254.1 million for 1960. In the same period net profits have expanded from \$5.4 million to \$15.2 million. For this year a per share net of between \$5.50 and \$6.00 has been projected on the stock (pre-split) against \$5.11 for 1960. A \$2.75 dividend was paid last year.

Zenith shares have multiplied. There was a 2-for-1 split in March 1958, a 3-for-1 split in May 1959, and another 3-for-1 split in process.

Investors have viewed Zenith common with confidence and enthusiasm. The shares reached an all-time high of 198¾ recently, against a low for the year of 97¼. At around the current 172 level the shares may appear a bit lofty compared with the general run of electronic issues. If Zenith stays strong, even in an uncertain market, it is probably due to respect for managerial excellence going back to the days when, for so many years, Commander Eugene F. McDonald ran the show; to the record of the company for sustained product quality; to the fortunate timing of its entry into new markets; and to its steady growth and remarkable money-making propensity.

A. G. Edwards Opens New Dept.

A. G. Edwards & Sons, members of the New York Stock Exchange and other leading exchanges, announced the opening of an institutional investment department to be located in the firm's New York office at 30 East 42nd St.

This new department will be under the direction of Richard E. Broome.

Gaines & Co. to Admit Garlick

George F. Garlick, Jr., on Oct. 1, will become a partner in Gaines & Co., 40 Wall Street, New York City, members of the New York Stock Exchange. Mr. Garlick, a member of the Exchange, is retiring from partnership in Bache & Company.

OBSERVATIONS...

BY A. WILFRED MAY

THE DECLINE (But Not Fall) OF THE DOLLAR

VIENNA, AUSTRIA — A major deduction from the week-long discussions here — although indirectly deductible rather than recognized — is the substantial four-year weakening of the dollar. This is evidenced, as to both the fact and its extent, by the fanning-out of the drawings of International Monetary Fund monies from the dollar and toward other currencies.

This changed trend began back in 1958. From the start of the Fund's operations through April 30, 1958, 91.7% of all drawings were made in dollars. During the following financial year 1958-59, contrastingly, only 36.4% of the drawings were in dollars.

Besides increased purchases of guilders and French francs; the Italian lira, the Danish krona and even the Argentine peso appeared as newcomers drawn.

This "exit" (rather than "flight") from the dollar is continuing to accelerate. During the past 12 months since the Fund meeting of September 1960, not only were 11 different currencies drawn by the purchasers ("borrowers"), but in total amount two-thirds of the drawings were in non-dollar currencies.

Increasingly desired, for example, is the new French franc. During this latest period it has been chosen by the following countries in the respective amounts (expressed in dollar equivalent):

	Francs taken (in dollar equiv.)
Yugoslavia	7 mills.
Chile	15
Australia	15
Turkey	3
India	15
United Kingdom	270

It is important to realize that the franc's strengthening stemmed not from institutional mechanisms, but from the basic restoratives of the Jacques Rueffs.

The trend in de-concentration on the demand for the dollar is enthusiastically hailed by Mr. Dillon—but, we suggest, speaking primarily as a proponent of the Fund rather than as Secretary of the U. S. Treasury. In fact, it is in line with the Treasury's position, vigorously affirmed here, that the Fund's resources must be enlarged for our benefit as a potential aid recipient. Whether this is pushed multilaterally or bilaterally in the coming months, the "pitch" to the U. S. Congress will emphasize the dollar's need for such further stand-by help.

Ascribing this trend to increasing convertibility among other currencies is just the other side of the medal of dollar weakening. Some Fund officials here point to their increased "persuasion" as a contributing factor. But this is self-delusion. Such seeds of persuasion had been sown into the Organization's whole preceding life — but in the wrong soil.

Sharing the Aid-ing

In any event, whether or not there will be any raising-of-the-ante by the key-currency or industrialized countries, they have embarked on greater sharing of aid extension, whether through loans, gifts, or quasi-gifts.

It surely would be well to heed the adjuration "we cannot afford a monetary order under which we all march in step into creeping inflation" offered here by Germany's IMF Governor Karl Blessing.

And the following realistic skepticism concerning overemphasis and dependence on institu-

tional devices has been sounded by Netherlands' Governor M. W. Holtrop:

"It is remarkable, and perhaps flattering for the monetary managers that the criticism which has been uttered in connection with the unsatisfactory state of affairs has been directed far more to the alleged deficiency of our institutional arrangements than to a possible lack of proper management." And further from Mr. Holtrop bearing on the Fund-enlargement proposals: "The proposals do not give an answer to our real problems. . . . They might, on the other hand, tend to aggravate the problem of the present oversupply of liquidity."

We must realize that the projected enlarged Fund subscriptions, the resulting addition of outflowing dollars will be building up a potential aggravation of our gold outflow vulnerability via the world's enlarged dollar cash-in ability.

We must realize, for the long-run good of the IMF, and any other international monetary institution be it OECD or the Latin American IADB, the prime necessity of keeping our own house-in-order. In an interview here with France's Finance Minister Wilfrid Baumgartner, he emphasized to this reporter the necessity of a borrowing, as well as a lending country, preserving soundness in its fiscal and monetary policies.

IBA Bulletin Reports Growing Training Plans

WASHINGTON, D. C.—Increasing attention is being devoted to training and development programs within the securities business, according to a feature article in the September issue of the IBA Educational Bulletin published by the Investment Bankers Association of America. The Bulletin is published by the Association's Education Committee under the chairmanship of Robert Mason of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Chicago.

There is also a great deal of emphasis being placed on the accreditation of personnel in the securities industry who deal with the public. Both the New York Stock Exchange and the National Association of Securities Dealers have developed new examinations and plan to raise the standards of accrediting new personnel entering the business.

Establishment of a great variety of training programs in recent years is undoubtedly a reflection of the growth character of the investment business. The article presents a brief review of the major training and development programs being conducted by the New York Stock Exchange, the IBA, and other organized groups in the securities industry.

Another section of the Bulletin reviews the educational and promotional activities conducted by IBA Groups throughout the country during the past year. A separate article also describes the 1961 Institute of Investment Banking, a development program for experienced personnel conducted by the IBA in cooperation with the Wharton School of Finance and Commerce, University of Pennsylvania.

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The State of TRADE and INDUSTRY

Steel Production
Electric Output
Carloadings
Retail Trade
Food Price Index
Auto Production
Business Failures
Commodity Price Index

In its September issue the *Morgan Guaranty Survey*, published by the Morgan Guaranty Trust Co. of New York, summarizes business and financial conditions viz:

If serious work stoppages developing in the automobile industry prove short-lived, economic activity should show a further substantial advance this autumn. Auto manufacturers have scheduled a sharp rise in the number of assemblies for coming weeks, and they are confident that the market will support high-level output throughout the remainder of the autumn and on into the winter. Their optimism is based on the good progress made by dealers in reducing inventories during the period of model changeover and on the strongly rising trend of personal income.

Activity in the steel industry showed considerable improvement during the late summer period, even before demand from auto companies had become much of a factor. The rise in ingot production after the vacation-period let-down was somewhat hesitant at first but gradually gained momentum; weekly output, has climbed back near its early summer level. It should soon better the earlier rates inasmuch as orders have been flowing to mills at a brisk pace from a wide range of users. Impressed by the breadth of demand, the steel industry is beginning to think in terms of producing at better than 80% of rated capacity in the fourth quarter.

Hitting on All 16

A diffusion of strength has been the key feature of the general recovery movement to date. In July, when the Federal Reserve Board's index of industrial production pushed to a new all-time record, all 16 of its industry groupings showed better readings than at the recession low in February. Many sectors of the economy are sharing in the rise, in other words, with no single industry or small group of industries dominant. A further rise in the index probably occurred in August, judging from generally strong behavior of available weekly series for major industries and from indications that the new-order experience of manufacturers has remained favorable.

The gains which have occurred in production this year have not yet been matched by commensurate strengthening of final demand. Consumers continue to exhibit a cautious approach to buying. Their outlays have lagged in relation to the rise in personal

income. This, it is worth noting again, is not unusual in the early phase of recovery when memory of recession is still fresh and families are still doing some trimming of financial sail. It would be most unusual, however, for consumer expenditures and personal income to stay apart over an extended period of time. If incomes continue to rise, retail demand should start to rebound this autumn. And a continuing rise in incomes is strongly indicated by all the plus influences at work in the economy. Business appears to be building inventories, plant and equipment outlays are moving higher, home building is trending up, and governmental spending marches forward at a pace quickened by stretched international tensions.

Monetary policy continues to favor expansion. The free reserves of Federal Reserve member banks are being maintained at about \$500 million, a benchmark of ease, and no significant action of a restrictive character has as yet been taken by the monetary authorities through the other media at their disposal. At the comparable stage of the last cyclical recovery, restrictive measures—including an increase in discount rates—already had been initiated.

Outlook for Unemployment

Unemployment, typically a lag-gard in showing response to recovery trends, should soon begin to yield. To a large extent the advance in production since February has been made possible by a lengthening of the work week, plus some increase in efficiency that is a normal aftermath of recession. With the average work week now back above 40 hours, increases in production should mean stepped-up hiring. Thus the autumn and winter periods are likely to bring an appreciable decline in the seasonally adjusted unemployment rate, which so far this year has been holding at just under 7% of the labor force. In the past few months, the number of new applications for unemployment benefits has dropped significantly. An auspicious decline occurred in August in the number of the relatively long-term unemployed, those who have been looking for jobs for 15 weeks or more.

Bank Clearings for Week Ended Sept. 23 Were 3.8% Above the Same Week Last Year

Bank clearings last week showed an increase compared with a year ago. Preliminary fig-

ures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Sept. 23, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 3.8% above those of the corresponding week last year. Our preliminary totals stand at \$31,848,408,693 against \$30,672,496,932 for the same week in 1960. Our comparative summary for the financial money centers for this week follows:

Week End.	(000's omitted)		
Sept. 23—	1961	1960	%
New York	\$17,793,785	\$16,812,488	+ 5.8
Chicago	1,402,005	1,345,525	+ 4.2
Philadelphia	1,264,000	1,248,000	+ 1.3
Boston	861,830	884,253	- 2.5

Pressures Against Steel Prices Mount

Pressure against steel prices mount on the basis of White House and competitive moves, the *Iron Age* reports.

First is the personal approach by President John F. Kennedy. He invited U. S. Steel Chairman Roger M. Blough to the White House last Thursday. There, he outlined his position, and reasons for it, in opposing steel price increases at this time.

This personal touch followed the President's previous letters in which he asked 12 major steel companies not to increase steel prices after the wage increase Oct. 1. In their replies, none of the companies promised not to raise prices. Most commented on adverse earnings and other market factors.

The effect of the President's private discussion with Mr. Blough can not be immediately assessed. But it shows that President Kennedy is determined to follow through and exert probably even further pressures against steel price increases.

Of equal importance is the cut in ingot prices by U. S. aluminum producers. The competitive situation between steel and aluminum has never been stronger, and the aluminum cut of ingot prices (from 26 cents per lb. to 24 cents) adds to the pressure on steel prices. Although aluminum finished products were unchanged, the ingot price has a definite relationship to steel prices, and its reduction will be felt.

Added to all this, the steel market, although firming up steadily, may not be strong enough to sustain a price increase across-the-board with or without outside pressures. However, price firming at other than the mill level has been noted, and the elimination of much price shaving at the mills in itself is a good sign of price firmness.

In the general market, the confused situation in auto labor continues to throw the steel market off balance. For example, September is not likely now to exceed the June level by much as auto production will lag possibly 200,000 behind the goal of over 500,000 for the month. September production of steel has held up, but at the expense of building inventory at the mills.

Steelmen expect October to be much better. But this is based on hopes of auto labor peace, rather than tonnage now on the books.

Some sidelights worth mentioning: Automakers have not come in with expected orders for galvanized steel. Nevertheless, galvanizing facilities are going at full capacity. When automakers come in at full strength, a galvanized shortage may well develop over night.

Ford, in an effort to rush production while GM wrestled with labor problems, has been scrambling for steel in a real rush. However, Ford now faces the possibility of labor shutdowns unless many local problems are ironed out. This only adds to the uncertainty.

The auto situation tends to ob-

scure the general advances and lengthening of delivery on many products through many areas of the country. Mills now look to an improved October and orders now coming in for November are encouraging.

Auto Strikes Push Steel Upturn Into October

Auto industry strikes are scuttling steelmakers' hopes that third quarter ingot production would be substantially higher than that of the second quarter, *Steel*, the weekly metalworking magazine, said.

Steel mills supplying General Motors plants received holdup orders on shipments. While the mills managed to keep production up by storing finished steel and giving priority to new orders from other customers, they have not been able to move ahead.

This week's output will be close to the 2,040,000 ingot tons that *Steel* estimates the industry poured in the week ended Sept. 23.

Ingot production in September will probably be about the same as August's 8,657,000 tons. Third quarter production will be about 25.4 million tons—only slightly higher than the second quarter's 25.1 million tons.

Orders for October are running a little behind those that were on the books a month ago for September. Steelmakers attribute the market's lethargy to side effects of the auto labor hassle. Once that's cleared up, they expect buying to step up.

There is little likelihood that the recent pickup in shipments to nonautomotive customers will be large enough to offset September shipping losses caused by the GM strikes. Nor is there much chance that price hedging will take up the slack. Relatively few orders received recently specify that shipment must be made before Oct. 1, the date when steel labor costs go up again.

Some buyers think government opposition will at least force steelmakers to delay raising prices until the controversy cools and the market strengthens.

Many companies that have decided against hedge buying expect price action on a selective basis during the fall or winter, but they do not think it's worthwhile to tie up their money when the price increases may be weeks or months away.

Deliveries are lengthening for some products at Midwestern mills.

A 160 in. plate mill at Pittsburgh is booked into mid-October. At Gary, Ind., deliveries from a comparable mill are being quoted at six to eight weeks (vs. three to four weeks in August).

Delivery promises for cold rolled sheets and coils at one mill have lengthened a week and those for enameling sheets and coils have moved from three to four to three to five.

Steelmaking scrap prices have stalled after a three-week upswing. *Steel's* price composite on No. 1 heavy melting grade held at \$39.83 a gross ton last week.

Production of '62 Model Cars Is Far Behind the Schedule Industry Set for September

Production of 1962 model passenger cars last week lagged far behind the pace the auto industry as a whole set for itself during September, *Ward's Automotive Reports* said.

The statistical agency said that strikes affecting General Motors Corp. have already taken about a 20% toll of the 505,000 cars scheduled to be built this month. General Motors had accounted for exactly half (50%) of the U. S. auto output through August of this year, but walkouts in the past two weeks have reduced the giant corporation's share of September output to 26% of the industry total through Sept. 22. Further production losses for the company are anticipated next week in continuing local disputes and problems arising in parts shortages.

Oldsmobile division, at its main Lansing (Mich.) plant did resume assembly operations Tuesday, but six other plants producing its cars

Continued on page 29

SEPTEMBER 26, 1961

The Board of Directors of

Godfrey, Hamilton, Magnus & Co.

Incorporated

announce a change of name to

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and

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TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

In a quiet, orderly manner, state and municipal bonds have continued in demand during the past week. Although investor demand has been general, the market has been stimulated partly by the willingness of dealers and dealer banks to bid up issues against the level of current offerings and against indicated investor interest for particular issues. Because the new issue calendar has been light, even a moderate amount of retail business has been sufficient to encourage the rebuilding of dealer tax-exempt bond inventories to an extent that is not at present easily measurable.

However, the Blue List of current municipal and state bond offerings totaled only \$367,997,000 as reported yesterday morning. Although most dealers do not show all of their inventory in the Blue List, this daily offering does represent a fairly constant relationship to inventories. However, in a bullish run-up such as seems to be occurring at present, bonds taken by dealers for mark-up usually are not shown immediately and the Blue List may lag in its normal relationship as between daily offerings and total inventory. A readjustment might not be apparent for a few days.

Very Light Volume of New Financing in Prospect

Dealers are at present further encouraged to accumulate inventory because of the light new issue calendar. For the next month but little more than \$240,000,000 of new issues has been thus far scheduled. There are no large negotiated type issues definitely scheduled at present, although as mentioned before both the Florida Turnpike and Jacksonville, Florida Expressway issues are being readied for market this fall.

With this extremely light demand on the resources of the investment banking industry, keenly competitive bidding should continue for attractive issues. Even lighter than normal investment demand could easily absorb this prospective volume in a rising market.

Business Trend Non-Bullish

Other factors tending to enlarge the demand for tax-exempt issues include, the successful termination of the recent Treasury financing, the continuing scarcity of corporate bond financing, the built-in easy money policies and the stubborn resistance of the economy to even approach the dynamic quality progressively heralded.

Although consumer buying has been lagging the economy along through the spring and early summer, it is now reported that concern is being shown in governmental circles about the lag in consumer spending. It has been apparent to many that even the heavy hand of government spending could not incite the economic recovery envisioned by the government economists and by many others in varied degrees of detachment. We believe that the lag will continue and that, by in-

direction, the bond market will further improve.

Bond Prices Firmer

The Commercial and Financial Chronicle's tax-exempt bond yield Index averaged out at 3.38% this week. This would indicate an average market improvement for high grade currently offered 20-year bonds of about one-quarter of a point. The bidding for new issues (not components of Index) would indicate an even higher general market level.

However, the secondary market offerings better represent the true supply and demand situation and therefore more accurately represent the market continuum. According to our yield Index, the tax-exempt bond market has now recouped most of the losses experienced since mid-August. A year ago the Index was 3.24%, meaning that the market was then about two points higher than at present.

Recent Awards

This week, from an underwriting viewpoint, was of extreme importance with many interesting and noteworthy issues offered for sale. On Thursday, Sept. 21, Harris County, Texas sold \$9,000,000 Houston Ship Channel Navigation District Revenue serial (1962-1992) bonds. A syndicate headed by Lehman Brothers, C. J. Devine & Co. and Phelps, Fenn & Co. was the successful purchaser in very close bidding. Other major members of the group are Merrill Lynch, Pierce, Fenner & Smith Inc., White, Weld & Co., Stone & Webster Securities Corp., R. W. Pressprich & Co. and Salomon Brothers & Hutzler. Scaled to yield from 1.75% to 4.00%, this issue attracted wide institutional interest with the current balance being only \$2,163,000.

On Tuesday, Sept. 26, the City of Detroit, Michigan came to market for \$32,250,000 through the sale of various school district, general obligation and water revenue bonds. The award of the bonds was split, with issues of \$10,000,000 school district (1963-1988) bonds and \$2,500,000 library (1962-1985) bonds sold to the group managed jointly by Bankers Trust Co., Smith Barney & Co. and Lehman Brothers. The school bonds were offered at prices to yield from 2.00% in 1963 to 3.75% in 1987. The 1933 maturity carries a 1% coupon and is priced to yield 4.40%. The library bonds were priced to yield from 1.75% in 1962 to 3.70% in 1983. The 1984 and 1985 maturities carried a 1% coupon and were priced to yield 4.40%. As we go to press a combined total of \$3,375,000 bonds remains unsold.

Halsey, Stuart & Co., Chemical Bank New York Trust Co. and Drexel & Co. and associates were high bidders for three general obligation issues totaling \$11,950,000. The bonds were scaled to yield from 2.00% in 1963 to 4.50% for the 1% coupon maturing in 1986.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)-----	3½%	1978-1980	3.75%	3.60%
Connecticut (State)-----	3¾%	1980-1982	3.40%	3.30%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.45%	3.30%
New York (State)-----	3%	1978-1979	3.35%	3.25%
Pennsylvania (State)-----	3¾%	1974-1975	3.15%	3.05%
Vermont (State)-----	3½%	1978-1979	3.30%	3.15%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.35%	3.20%
Los Angeles, Calif.-----	3¾%	1978-1980	3.80%	3.65%
Baltimore, Md.-----	3¼%	1980	3.60%	3.50%
Cincinnati, Ohio-----	3½%	1980	3.45%	3.35%
New Orleans, La.-----	3¼%	1979	3.65%	3.55%
Chicago, Ill.-----	3¼%	1977	3.65%	3.50%
New York City, N. Y.-----	3%	1980	3.60%	3.55%

September 27, 1961 Index=3.3807%

The unsold balance totals about \$8,276,000.

Lehman Brothers, Goldman, Sachs & Co. and Phelps, Fenn & Co. headed the successful group bidding for \$7,800,000 City of Detroit, Water Supply System (1966-1996) revenue bonds. This highly rated issue was reoffered to yield from 2.50% in 1962 to 3.75% in 1996. Upon reoffering about \$1½ million bonds were quickly sold.

Close Bidding

Also on Tuesday, the Georgia State School Building Authority awarded \$31,452,000 school revenue (1963-1983) bonds to the Blyth & Co. and Robinson-Humphrey & Co. group after very close bidding. Also associated as majors in this group are C. J. Devine & Co., Drexel & Co., Eastman Dillon, Union Securities & Co., Equitable Securities Corp., Goldman, Sachs & Co., Halsey, Stuart & Co., Kuhn, Loeb & Co. and Lehman Brothers. The bonds were scaled from 2.00% in 1963 to 3.75% in 1983 and upon reoffering more than half of the bonds were sold.

John Nuveen & Co., bidding alone, submitted the high bid for \$9,000,000 Pasadena, California, Electric revenue bonds on Tuesday, Sept. 26. The issue was priced to yield from 1.60% in 1962 to 3.45% in 1981. Upon offering, about \$3,000,000 of the bonds were sold.

Tuesday's final issue, \$5,000,000 Independence, Missouri, Electric Light Works revenue bonds (1962-1986) was awarded to the account headed by Halsey, Stuart & Co., Inc. and consisting of Shields & Co., Kidder, Peabody & Co., R. W. Pressprich & Co. and B. J. Van Ingen & Co., Inc. The issue was scaled to yield from 1.80% in 1962 to 3.80% in 1980. The bonds were well received and only \$1,077,000 remain in account.

Week's Major Award

The largest issue of the week, \$100,000,000 State of Illinois various institution general obligation bonds, was awarded yesterday to a nationwide dealer group managed by Gloré, Forgan & Co. The State of Illinois, an infrequent borrower, had not been to market since 1947 and interest in this issue was widespread. The bonds maturing 1962 to 1986 were scaled from 1.40% to 3.20%. Pre-sale institutional interest has been good. At present no balance is available.

The turnpike issues have been quite active and have shown price improvement during the past week. The Smith, Barney & Co. Turnpike bond yield Index averaged out at a 3.87% yield on Sept. 21. This was up about one-quarter of a point from the previous week. Issues showing improvement included, Kentucky Turnpike, Western 4.85s, Florida Turnpike 3½s and others. Indiana Toll Road 3½s seemed under some selling pressure. Many of the toll road and other term revenue issues should be more active as exchanging for tax purposes becomes seasonable.

Joins Currier & Carlsen

(Special to THE FINANCIAL CHRONICLE)

SAN DIEGO, Calif. — Henry L. Price has joined the staff of Currier & Carlsen Incorporated, 233 A Street, members of the Pacific Coast Stock Exchange. Mr. Price was previously with Fleetwood Securities Corporation.

Lucas Joins Staff Of Blyth & Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — John J. Lucas has become associated with Blyth & Co., Inc., Russ Bldg. Mr. Lucas who has been in the investment business for many years has recently been with Sutro & Co. In the past he was a partner of Davies & Co.

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of \$1,000,000 or more for which specific sale dates have been set.

Sept. 28 (Thursday)

Indianapolis, Ind.-----	2,200,000	1963-1982	1:30 p.m.
St. Francis, Wis.-----	1,000,000	1963-1981	3:30 p.m.
Webster, Penfield etc., CSD 1, N.Y.	2,865,000	1961-1989	2:00 p.m.

Sept. 29 (Friday)

Minneapolis, Minnesota-----	3,400,000	1989	4:30 p.m.
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Oct. 2 (Monday)

Birmingham, Mich.-----	1,500,000	1962-1981	8:00 p.m.
Kenosha, Wis.-----	4,690,000	1962-1981	Noon
Mesquite, Texas-----	1,640,000	1962-1995	2:30 p.m.

Oct. 3 (Tuesday)

Cook County Comm. HSD 231, Ill.	1,285,000	1963-1978	8:00 p.m.
Des Moines Ind. Comm. SD, Iowa	1,400,000	1962-1980	10:00 a.m.
Dover-Sherborn Reg'nal SD, Mass.	1,200,000	1962-1981	11:00 a.m.
Guilford County, N. C.-----	6,000,000	1964-1986	11:00 a.m.
Newport News, Va.-----	3,000,000	1967-1991	2:00 p.m.
Wisconsin Rapids, Wis.-----	1,286,000	1962-1973	11:00 a.m.

Oct. 4 (Wednesday)

Indianapolis, Ind.-----	2,500,000	1963-1987	Noon
Le Roy, New York-----	1,900,000	1962-1990	2:00 p.m.
Wilmington, Mass.-----	1,140,000	1962-1980	11:00 a.m.

Oct. 5 (Thursday)

Decatur, Ill.-----	1,485,000	1963-1980	10:30 a.m.
Hempstead Unified S. D., N. Y.---	2,709,000	1962-1991	11:00 a.m.
New Haven, Conn.-----	10,228,000	1963-1981	11:00 a.m.

Oct. 6 (Friday)

Juniata College, Pa.-----	1,045,000	1963-2000	4:00 p.m.
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Oct. 7 (Saturday)

Oklahoma State Univ. of Agric. & Applied Science, Okla.-----	2,983,000	1964-2001	9:00 a.m.
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Oct. 9 (Monday)

Eastern Montana College, Mont.---	2,314,000	1963-2000	10:00 a.m.
Edina, Minn.-----	2,200,000	1963-1973	7:30 p.m.
Eugene, Oregon-----	1,000,000	1962-1981	10:00 a.m.
Franklin U. H. S. D. No. 2, Wis.---	1,100,000	1963-1981	8:00 p.m.
Seattle, Washington-----	7,000,000	1967-1991	10:00 a.m.

Oct. 10 (Tuesday)

Asheville, North Carolina-----	4,500,000	1963-1991	11:00 a.m.
Knoxville, Tenn.-----	1,000,000	1964-1981	10:00 a.m.
Los Angeles School Dist., Calif.---	35,000,000	1962-1986	9:00 a.m.

Oct. 11 (Wednesday)

Frankfort & Schuyler CSD, N. Y.---	1,225,000	1962-1991	12:30 p.m.
Grand Blanc Township, Mich.---	4,000,000	1963-1987	8:00 a.m.
Indiana University-----	4,500,000	1963-1997	11:00 a.m.
Montgomery County, Va.-----	1,000,000	1962-1981	Noon
Peoria Pub. Bldg. Comm., Ill.---	4,500,000	1963-1981	11:00 a.m.
Port of Tacoma, Wash.-----	2,400,000	1963-1991	2:00 p.m.

Oct. 13 (Friday)

Beaver College, Pa.-----	2,110,000	1964-2001	11:00 a.m.
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Oct. 16 (Monday)

Dallas, Texas-----	9,600,000	1962-1981	1:45 p.m.
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Oct. 17 (Tuesday)

Oak Park Sch. Dist., Mich.-----	3,500,000	1962-1990	8:00 p.m.
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Oct. 19 (Thursday)

Texas (State of)-----	25,000,000		
University of California-----	2,843,000	1963-1985	Noon

Oct. 24 (Tuesday)

Eig Springs, Texas-----	1,125,000		
Lafayette, La.-----	1,000,000	1964-1991	10:00 a.m.
Millburn Twp. Sch. Dist., N. J.---	3,087,000	1962-1935	8:00 p.m.
Portland, Ore.-----	3,500,000	1964-1983	

Oct. 31 (Tuesday)

Ottumwa, Iowa-----	1,750,000		
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Nov. 1 (Wednesday)

Amarillo, Texas-----	4,000,000		
Kansas City, Kansas-----	1,500,000		

Nov. 8 (Wednesday)

Richfield, Minnesota-----	1,300,000	1964-1983	
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Nov. 14 (Tuesday)

Los Angeles Flood Control D., Cal.	20,000,000		
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Nov. 15 (Wednesday)

Fort Smith, Ark.-----	1,500,000		
Georgia State Highway Auth., Ga.	35,000,000		
Lower Penns Twp. S. D., N. J.---	1,250,000		
Orange County, N. C.-----	1,500,000	1963-1986	11:00 a.m.

Nov. 16 (Thursday)

Omaha Public Power Dist., Neb.---	17,000,000	1963-1991	10:00 a.m.
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Nov. 17 (Friday)

Wayne County, Mich.-----	18,815,000	1966-2001	
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Nov. 21 (Tuesday)

Randolph County, N. C.-----	1,750,000	1964-1988	11:00 a.m.
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Dec. 1 (Friday)

Cordova Rec. & Park Dist., Calif.	2,320,000		
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Dec. 12 (Tuesday)

Los Angeles Co. Hosp. Dist., Calif.	3,781,000		
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Jan. 10 (Wednesday)

Los Angeles, Calif.-----	9,000,000		
Minneapolis Special S. D. 1, Minn.	2,000,000		

Feb. 6 (Tuesday)

Los Angeles Sch. Dist., Calif.---	35,000,000		
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March 2 (Friday)

Georgia State Highway Auth., Ga.	35,000,000		
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Why Changes Are Needed In Federal Reserve System

By Marriner S. Eccles,* Chairman of the Board,
First Security Corp., Salt Lake City, Utah

Member of the C. E. D. Commission on Money and Credit and former Federal Reserve Governor and Chairman lauds C. E. D. Commission's recognition of monetary and credit policy for being (1) an essential part of over-all economic national policy and (2) inseparable. Mr. Eccles asserts the report does not lessen the Fed's power but, rather, strengthens its position in dealing with the President. Other comments deal with applying the Employment Act of 1946 to the Fed, establishment of a coordinating council, placing the open market committee's functions in the hands of the Board, and changing fractional reserve requirements. Mr. Eccles endorses proposal to have the President designate the Chairman of the Fed and to make the term co-terminous with his. He also favors retiring member banks' capital stock so there's no question as to Federal Reserve Banks' ownership. Commission is criticized for inadequate treatment of labor power and balance of payments problems.

I should first like to consider the historical background and current need for change. Woodrow Wilson, considered the father of the Federal Reserve System, had this to say in his first inaugural address: "We shall deal with our economic system as it is and as it may be modified, not as it might be if we had a clean sheet of paper to write upon, and step by step we shall make it what it should be." Nearly a quarter of a century after the Federal Reserve System was established the Banking Act of 1935, sponsored by Franklin D. Roosevelt, brought about the first basic changes in the System. In 1937, when President Roosevelt dedicated the Federal Reserve Building, he had this to say relative to the role the Federal Reserve plays in the broad purpose which the government must serve: "... (its) purpose is to gain for all of our people the greatest attainable measure of economic well being, the largest degree of economic security and stability. To advance the country toward this goal is the primary mission of the Federal Reserve System. It cannot be attained by that system alone, but neither can it be reached without the proper functioning of our monetary and credit machinery. That machinery must be steadily perfected and co-ordinated with all other instruments of government to promote the most productive utilization of our human and material resources. Only in that way can we hope to achieve and maintain an enduring prosperity free from disastrous extremes of booms and depressions. Only in that way can our economic system and our democratic institutions endure."



Marriner S. Eccles

we have seen the need of a Communications Commission, a Civil Aeronautics Board, a Power Commission, the Securities and Exchange Commission, and many other government agencies. These are some of the more recent evidences of expansion of national sovereignty. In the world of today, government, regardless of political party, must grow bigger and more powerful to survive.

It is within the historic, as well as the present economic framework, that the Report of the Commission on Money and Credit should be considered. The national goals which the recommendations of the Commission seek are: an adequate rate of economic growth, low levels of unemployment, and reasonable price stability.

The Commission believes that national economic policy is an integrated whole and recommendations are made as to how the relationship among monetary, credit and fiscal measures might be

planned, reviewed and related to other measures at the Presidential level.

Most Important Aspect

The most important aspect of the report is that it recognizes that monetary and credit policy is of necessity an essential part of the over-all economic national policy and it cannot be successfully used separately. The Commission calls for a much greater degree of co-ordination in national economic policy which, in effect, means much closer ties between the executive branch of the government and the Federal Reserve, as well as the other independent agencies. It indicates that too much independence of the Federal Reserve can mean isolation and the Commission recommends a greater measure of co-ordination. The report does not lessen the power of the Federal Reserve, rather, it makes recommendations that will strengthen its position and enhance its influence in dealing with the President. It also makes some suggestions to strengthen the nation's private financial system and it recognizes that monetary policy, to be effective, must be supplemented by fiscal and debt management programs.

The Commission has recommended some important and needed changes in the organization and functioning of the Federal Reserve System, as well as in the commercial banking system through which it operates.

Legislative Mandates

One of the most important recommendations made by the Commission is that Congress modernize and make consistent the legislative mandates which set out national economic goals in the two statutes that bear most directly on the field of the Commission's concern, namely, the Federal Reserve Act and the Employment Act of 1946. Identical language

should be incorporated simultaneously in each of these statutes to formulate the goals of a low level of unemployment, adequate rate of economic growth, and reasonable price stability. These same goals should be made applicable to all Federal agencies administering economic programs. At the present time the Employment Act does not include stability as one of the goals and the Federal Reserve Act does not contain a provision specifically setting out these objectives.

Co-ordination

In order to bring about the needed co-ordination to make the mandates effective the Commission recommends that the President consider setting up a council under a Chairman to be designated by him and plan its work so that weekly meetings be held of related and interested department and agency deputies, supported by staff assistants from the Council of Economic Advisors. These weekly meetings should culminate in periodic meetings of their chiefs with the President.

Major Instruments

The major instruments of general monetary policy are the powers to buy and sell securities in the open market, the power to fix discount rates and regulate conditions of member bank borrowing, and the power to change reserve requirements of member banks within the limits specified by Congress. It is recommended that these powers be confined to the Federal Reserve Board.

Discount Rate

At the present time discount rates are set by each Federal Reserve Bank every two weeks by its Board of Directors, subject to review and approval of the Federal Reserve Board. Credit markets are national in character and regional differences in discount rates are ineffective. Under these

circumstances a national discount rate policy should correspond with the national open market policy. It is therefore recommended that a discretionary uniform discount rate be established by the Federal Reserve Board for all Federal Reserve Banks.

Open Market

The Commission recommends the continued use of open market operations as the normal and most useful instrument of general monetary policy. Instead of relying on a bills only policy, the Federal Reserve should be willing, when domestic and international conditions warrant, to influence directly the structure as well as the level of interest rates in pursuit of counter-cyclical monetary policies and should deal in securities of varied maturities. However, the normal use of open market operations in bills to carry out technical and seasonal changes in bank reserves is appropriate.

It is recommended that the present open market committee be abolished and that its functions be placed in the hands of the Board. This would place directly in the Board, a governmental body, the three major general instruments of monetary and credit policy. The open market powers are now vested in the Federal Reserve Board and five of the Reserve Bank Presidents whose terms on the open market committee rotate with the exception of the president of the New York Federal Reserve Bank whose term is permanent. These members cannot be considered governmental as they are elected by their Board of Directors, the majority of which are elected by the member banks, whereas the members of the Federal Reserve Board must be appointed by the President and confirmed by the

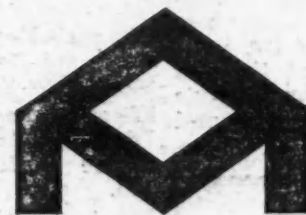
Continued on page 16

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Big Government Held No Menace

Twenty-six years have passed, or more than a quarter of a century, since the Banking Act of 1935. Many revolutionary changes have taken place in nearly every aspect of our own economy, as well as throughout the world. I believe we are living in the most revolutionary period in history. We are experiencing not only a revolution in science, but a political, social and economic revolution as well. There is a tendency to look away from the realities that exist in the world today. There is a sizable group of Americans who seem to think that big government is our greatest menace. They still believe, as Jefferson did a century and a half ago, "that government is best which governs least."

In the memory of most of us

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED
TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Canadian Trade—Review—Bank of Montreal, P. O. Box 6002, Montreal 3, Que., Canada.

Japanese Economy—Review—The Fuji Bank, Ltd., New York Agency, 42 Broadway, New York 4, N. Y.

Japanese Electronics Industry—Analysis—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Market—Review—Yamaichi Securities Company of New York, Inc., 111 Broadway, New York 6, N. Y. Also available is an analysis of **Nippon Breweries Ltd.**

Japanese Market—Survey—Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Japanese Stocks—Handbook for investment, containing 20 essential points for stock traders and investors—The Nikko Securities Co., Ltd., Tokyo, Japan—New York office 25 Broad Street, New York 4, N. Y.

Market Review—Study—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available is a memorandum on **High Voltage Engineering**.

Overpriced & Underpriced Bond Issues—Bulletin—Salomon Brothers & Hutzler, 60 Wall St., New York 5, N. Y.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period—National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Paper Stocks—Analysis—Sartorius & Co., 39 Broadway, New York 6, N. Y.

Petroleum Situation—Report—Petroleum Department, Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York 15, N. Y.

Savings & Loan Associations—Analysis with particular emphasis on **Equitable Savings & Loan Association**—Hooker & Fay, Inc., 221 Montgomery St., San Francisco 4, Calif.

Silver—Analysis—Wills, Bickle & Company Ltd., 44 King St., West, Toronto 1, Ont., Canada.

Supermarket Survey—Bulletin—Filor, Bullard & Smyth, 26 Broadway, New York 4, N. Y.

Treasury Bond Market—Report—Aubrey G. Lanston & Co., Inc., 20 Broad St., New York 5, N. Y.

Airkem, Inc.—Review—Orvis Brothers & Co., 15 Broad St., New York 5, N. Y. Also available are reports on **Deltown Foods, Joseph Horne Co., and Rose's 5, 10 & 25 Cents Stores, Inc.**

American Cryogenics Inc.—Analysis—Courts & Co., 11 Marietta St., N. W., Atlanta 1, Ga.

Armstrong Rubber—Review—Paine, Webber, Jackson & Curtis, 25 Broad St., New York 4, N. Y. Also available are reviews of **Eaton Manufacturing, Lockheed Aircraft, St. Regis Paper and F. W. Woolworth and data on Brooklyn Union Gas, Federated Department Stores, and Mead Johnson.**

Borg-Warner Corporation—Analysis—Cruttenden, Podesta & Co., 209 South La Salle St., Chicago 4, Ill. Also available is an analysis of **Calandra Photo Inc.**

British Columbia Electric—Analysis—Greenshields Inc., 507 Place d'Armes, Montreal, Que., Canada.

Bunker Hill Co.—Memorandum—E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available is a memorandum on **Carter Products Inc.**

Canada Dry—Analysis—Hardy & Co., 30 Broad St., New York 4, N. Y.

Canadian Industries Ltd.—Analysis—Royal Securities Corporation, Ltd., 244 St. James St., West, Montreal 1, Que., Canada. Also available are analyses of **Consolidated Paper Corporation, Great Lakes Paper Company Ltd., International Nickel Co. of Canada Ltd. and Texaco Canada Ltd.**

Central Wisconsin Motor Transport Company—Analysis—Loewi & Co. Inc., 225 East Mason St., Milwaukee 2, Wis. Also available is an analysis of **Lake Superior District Power.**

Courtaulds Limited—Discussion in October issue of "American Investor"—A American Investor, American Stock Exchange Building, New York 6, N. Y.—15c per copy, \$1 per year. Also in the same issue are discussions of the **Oil Industry, National Union Electric Corp., Rayette, Clopay and Friendly Frost.**

Crown Zellerbach—Review—Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is a review of **Red Owl Stores.**

Cyprus Mines Corp.—Analysis—Turner-Poindexter & Co., 634 South Spring St., Los Angeles 14, Calif.

Davidson Optonics Inc.—Report—Adams & Co., 5455 Wilshire Blvd., Los Angeles 36, Calif.

Federated Department Stores—Review—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available are reviews of **Time Incorporated and Food Fair Stores.**

First Republic Corporation of America—Analysis—Charles A. Taggart & Co., Inc., 1516 Locust St., Philadelphia 2, Pa.

Grumman Aircraft Engineering Corp.—Analysis—Hess, Grant & Remington Inc., 123 South Broad St., Philadelphia 9, Pa.

Hertz Corporation—Report—Butler, Herrick & Marshall, 30 Broad St., New York 4, N. Y.

Howard Johnson Co.—Analysis—Blair & Co., Inc., 20 Broad St., New York 5, N. Y. Also available are memoranda on **Acme Steel, McLouth Steel and Northwestern Steel & Wire.**

Howell Instruments Inc.—Analysis—Funk, Hobbs & Hart, Inc., National Bank of Commerce Building, San Antonio 5, Tex.

International Minerals & Chemical Corp.—Report—Schwabacher & Co., 100 Montgomery St., San Francisco 4, Calif.

Jackson's Minit Markets—Report—Johnson, Lane, Space and Co., Inc., 16 North Laura St., Jacksonville 2, Fla. Also available are reports on **Lenahan Aluminum Window Corp. and Lewis Business Forms.**

Jewel Tea Co.—Bulletin—Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y.

Lamar Life Insurance Co.—Analysis—Equitable Securities Corp., 322 Union St., Nashville 3, Tenn.

Libby, McNeill & Libby—Analysis—W. E. Hutton & Co., 14 Wall St., New York 5, N. Y.

P. R. Mallory—Review—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available is a chart analysis of **Technicolor.**

Mattel Inc.—Analysis—Wode & Co., Inc., 1521 Cleveland Pl., Denver 2, Colo.

Milton Bradley Co.—Analysis—Hill-Richards & Co., Inc., 621 South Spring St., Los Angeles, Calif.

Minerals Engineering Co.—Memorandum—Kerr & Co., 149 Broadway, New York 6, N. Y.

Missouri Pacific—Memorandum—Uhlmann & Co. Inc., Board of Trade Building, Kansas City 5, Mo.

Montana Dakota Utilities—Data—Penington, Colket & Co., 70 Pine St., New York 5, N. Y. Also available are data on **Stone & Webster, Girard Trust and American Investment Co. of Illinois.**

Morrison-Knudsen Co., Inc.—Bulletin—De Witt Conklin Organization, Inc., 120 Broadway, New York 5, N. Y. Also available is a bulletin on **Frontier Refining Co. Ocean Drilling and Exploration Company**—Analytical brochure—Howard, Weil, Labouisse, Friedrichs and Co., 211 Carondelet St., New Orleans 12, La.

Parker Hannifin Corp.—Memorandum—Chesley & Co., 105 South La Salle St., Chicago 3, Ill.

Plant Industries—Discussion—Stearns & Co., 80 Pine St., New York 5, N. Y. Also available are discussions of **High Voltage Engineering, Peterson Electronic Die and Vitramon.**

Quaker City Life Insurance—Memorandum—Woodcock, Moyer, Fricke & French, Inc., 123 South Broad St., Philadelphia 9, Pa.

New York State Savings Banks Assn. Announces Convention Details

Annual Convention is set for October 4-6 in Quebec, Canada. Special speakers known for their expertise will address bankers on latest developments ranging from world affairs to contributions made by mutual savings banks.

Leaders of New York State savings banks will meet Oct. 4-5-6 in Quebec to map plans and programs to improve and expand the thrift services they offer to the people of the state.

More than 800 delegates, executive officers and trustees from the state's 127 savings banks will attend the 68th annual fall convention of the Savings Banks Association of New York State, George M. Penney, managing director, announced.

Among leaders in the fields of government, economics, public affairs and banking who will address the convention are:

Special Speakers

Ernest K. Lindley, special assistant to the Secretary of State, who will discuss "The Current World Situation"; Sen. Kenneth B. Keating, speaking on "Emergency Problems on the Domestic Scene"; Maj.-Gen. W. C. Westmoreland, superintendent of the U. S. Military Academy at West Point, whose subject will be "Your Army—An Asset on The National Balance Sheet." The savings bankers will also hear from Thomas R. Reid, civic and governmental affairs manager, Ford Motor Co., whose subject will be "Living With Government."

Three speakers from the fields of economics and banking will give their views. Neil J. McKinnon, President, Canadian Imperial Bank of Commerce, will speak on "The Growth of Financial Institutions in Canada"; Professor Irving Schweiger, Associate Professor of Marketing, University of Chicago Graduate School of Business, will consider "Evidence of the Contributions of Mutual Savings Banks"; and Dr. Robert A. Kavesh, Associate Professor of Economics and Finance, New York University Graduate School of Business Administration, will view "The Business and Financial Outlook."

Standard Kollsman—Report—John H. Lewis & Co., 63 Wall St., New York 5, N. Y.

Strolee of California Inc.—Analysis—Mitchum, Jones & Templeton, 650 South Spring St., Los Angeles 4, Calif.

Studebaker-Packard Corporation—Report—Harris, Upham & Co., 120 Broadway, New York 5, N. Y.

Sunray Mid Continent Oil—Data—Joseph D. Goodman & Co., 1526 Chestnut St., Philadelphia 2, Pa. Also available are data on **Woodward Iron.**

Syston-Donner Corporation—Analysis—Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif. Also available is a review of **General Electric.**

United Merchants and Manufacturers Inc.—Analysis—Eisele & King, Libaire, Stout & Co., 50 Broadway, New York 4, N. Y.

Vagabond Motor Hotels—Memorandum—Norman C. Roberts Co., 625 Broadway, San Diego 1, Calif.

U. S. Treasury Issues—Tables of comparative yields—Aubrey G. Lanston & Co., Inc., 20 Broad St., New York 5, N. Y.

Wesco Financial Corp.—Analysis—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Westinghouse Electric Corp.—Chart analysis—Thomson & McKinnon, 2 Broadway, New York 4, N. Y.

Willcox & Gibbs—Analysis—Schirmer, Atherton & Co., 50 Congress St., Boston 3, Mass. Also available is a discussion of **Draper Corp.** and an analysis of **Florida Water & Utilities Co.**

James M. Bristow, President of the Association and also president of The Warwick Savings Bank, will open the convention with an address on the current problems and opportunities of the savings bank industry in New York State. He is expected to report on industry accomplishments in the past 12 months, during which the 127 member savings banks of the Association reached new highs in the number of depositors, total savings deposits and in home financing.

Other industry speakers include Samuel W. Hawley, President, National Association of Mutual Savings Banks and President, People's Savings Bank, Bridgeport, Conn.; and William Lumsden, Vice-President, The Bowery Savings Bank.

The savings bankers will be welcomed by Quebec Alderman David Burns. During a closed business session on Wednesday afternoon the savings bankers will hear reports from a number of Association committees dealing with such aspects of the industry as new services, taxation and home financing. It is expected that considerable discussion will be held on the need among New York State people for expanded savings bank services and more savings bank branch offices throughout the state especially in its smaller communities.

Mun. Bd. Women's Club of New York Elect Officers

Mrs. James N. Brownell, of Chas. E. Weigold & Co., Incorporated, has been elected President of The Municipal Bond Women's Club of New York. She succeeds Miss Dorothy Root, of F. S. Smithers & Co., who remains a member of the Board of Governors.

Also elected at the meeting were: Mrs. Jeanne Skippon Peters, of Adams, McEntee & Co., Inc., Vice-President; Mrs. Helen Davis Kane, of Model, Roland & Stone, Treasurer; Miss Jeannette F. Boondas, of Dempsey-Tegeler & Co., Secretary; and Miss Joan Murray, of Drake & Company, and Miss M. Irene Prentzel, of Drexel & Co., Governors. In addition to Miss Root, the retiring President, Miss Ola Smith, of Roosevelt & Cross, Inc., continues on the Board of Governors.

The Security I Like Best

Continued from page 2
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Deplores British Ford's Wage Rise Agreement

By Paul Einzig

What Dr. Einzig feared in his column last week would occur appears to be in the making in the American owned Ford affiliate in Britain. The fact that precedent-making higher wage and shorter hour concessions have been made by the auto firm in disregard of the Government's policy is as repugnant to Dr. Einzig as the fact that British labor is successfully able to resist measures to increase their productivity. The writer compares this to neutral nations accepting West's foreign aid without strings attached and pursuing a policy of bias in favor of the Communist bloc. Trade union leaders who eschew productivity concessions are termed dangerous.

LONDON, Eng.—At the time of writing it looks as if the British subsidiary of Ford Motor Co. would experience a full-scale strike—the first official strike in its existence after innumerable unofficial strikes. Even if an eleven-hour compromise should be reached, the dispute has features which deserve special attention. It has arisen notwithstanding the willingness of the management to concede a claim for higher wages and shorter hours, in flagrant disregard of the British Government's official policy for wage restraint. The fact that the first major instance in which the policy of wage restraint is disregarded concerns an American-owned firm is a matter for regret. It is likely to be used by those who had been opposed to the granting of Treasury permit to authorize the acquisition of the British held stocks by the parent company last year, to claim that they were right in resisting the transaction. It will no doubt be pointed out on future occasions that as a result of the acquisition of large firms by American or other non-British interests, the Government could no longer rely upon the loyalty of such firms in support of official policies the success of which depends on voluntary cooperation.

Sees Example Set for Other Firms

Once the wage increase and shorter hours are definitely conceded, with or without strike, it will no doubt set an example to British firms. They may feel that loyal observance of the wage restraint on their part would put them to an unfair disadvantage compared with Ford. Quite possibly, therefore, the decision of the Ford subsidiary to disregard the official policy will open the floodgates for unwarranted wage concessions, which in turn might necessitate more stringent disinflationary measures, to the detriment of Ford's and everybody concerned.

The reason why, in spite of the willingness of Ford management to concede claims for higher wages and shorter hours, the present industrial dispute has arisen is that the employers have made their offer conditional on the acceptance by the unions of the termination of the existing arrangement under which employees are entitled to a ten minutes' "tea break" in the afternoons. Evidently this practice of interrupting work for ten minutes for a cup of tea must interfere considerably with productivity. Otherwise the company, having swallowed the camel of higher wages and shorter hours, would not strain at the gnat of this ten minutes tea break.

What is interesting is that the main reason why the union concerned resists this condition is the basic demand that characterizes the attitude of British trade unions since the War—no strings must be attached to any concessions they receive. Benefits from higher wages and shorter hours must be conceded unconditionally, not in return for concessions making for higher productivity. It is true occasionally this principle is disre-

garded. When the unions encounter tough resistance on the part of employers and cannot hope to overcome their resistance in any other way, they are prepared to make vague promises to cooperate in an effort to raise productivity. Bitter experience has taught employers that such promises are not worth the paper on which they are written. But when the unions find that the employers are soft, they do not even bother to make such promises and certainly they do not make any concrete concessions, knowing as they do that they can obtain satisfaction of their claims without conceding anything at all.

Analogous to Underdeveloped Neutrals

This attitude, that no strings must be attached to any benefits given, characterizes the post-War mentality of recipients of benefits. In the international sphere underdeveloped peoples insist on the application of the same principle. They consider it their birthright to obtain expensive assistance from advanced peoples without any strings attached. They are determined to uphold their sacred right to bite the hand that feeds them—before, during and after feeding—and to demand feeding on an increasing scale regardless of the bites. Any advanced coun-

try who objects to such bites is accused of imperialist colonialism. In accordance with the spirit of the times, assistance must be poured down the drain without expecting any gratitude for it in the form of loyalty to those who help the recipients. The latter feel they are entitled to remain neutral between those who help them and those who try to reduce them to the status of vassal. Judging by India's recent attitude even that so-called neutrality is biased in favor of the Communist group.

Calls Such Labor Leaders Dangerous

In the domestic sphere, the principle of wage concessions with no strings attached is highly detrimental to productivity. Trade unions refuse to recognize that there can be no hope for raising the standard of living of their members unless productivity is increased. To increase labor's share of an unchanged or declining output gives them more satisfaction than a much more considerable increase that would be achieved through higher productivity alone, without an increase in labor's relative share of the proceeds. The thought that the prosperity of the free world depends on people so utterly devoid of elementary commonsense is enough to make one despair of the future of mankind. The trouble about trade unionists is that they are fools and they do not know it. Such men are dangerous.

Form Sun Securities

Sun Securities Corporation has been formed with offices at 233 Broadway, New York City, to engage in a securities business. Bert Markowitz is President; Howard A. Bernier, Vice-President; and Bruce C. Lederer, Secretary and Treasurer.

Broad Street Capital

Broad Street Capital Corporation is conducting a securities business from offices at 67 Broad Street, New York City.

E. F. Hutton Elects Coleman

Sylvan C. Coleman has been elected Chairman of the Executive Committee of E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York City, members of the New York Stock Exchange, it was announced.

Mr. Coleman is also President of E. F. Hutton & Co. Incorporated, the investment banking affiliate of the securities brokerage firm. He is Chairman of the Board of United Carbon Company, a director of General Dynamics Corporation and other companies. He joined E. F. Hutton & Company in 1928 and became a partner ten years later.



Sylvan C. Coleman

Mitchell, Hutchins To Be Corp.

CHICAGO, Ill.—The partnership of Mitchell, Hutchins & Co., 231 South La Salle Street, members of the New York and Midwest Stock Exchanges, will be dissolved and a new corporation, Mitchell, Hutchins & Co., Incorporated, will be formed as of October 1.

Officers of the corporation will be William H. Mitchell, Chairman of the Board; William F. Borland, President; James C. Hutchins, Willard S. Simkins, W. Edwin Stanley, and Julian C. Stanley, Senior Vice-Presidents; John L. Swasey, Executive Vice-President; Ralph L. Kennedy, Vice-President and Treasurer; Weather Reinmund, Vice-President and Secretary; T. Stanton Armour, Vice-President and Assistant Secretary; George P. Denny, Jr., Chauncey K. Hutchins, John M. P. Thatcher, Jr., George A. Easley, Jr., J. Stewart Buxton, and William E. Buxton, Vice-Presidents.

Form Passell & Co.

CLEARWATER, Fla.—The investment business of David H. Passell, 487 Mandalay, is now being conducted under the firm name of D. H. Passell & Co., Inc.

Now Rich Ruth Inv. Assoc.

FRESNO, Calif.—The investment business of Jack D. Rich, 332 East Shields Ave., is now being conducted under the firm name of Rich Ruth Investment Associates.

Plan Management Formed

BOSTON, Mass.—Plan Management Corporation has been formed with offices at 275 Congress St., to engage in a securities business. Officers are Herbert M. Weiss, President and Treasurer; Peter DeRoeth, Executive Vice-President; and John P. Benjak, Clerk. All were formerly officers of Planned Investment Corporation.

This announcement is neither an offer to sell, nor a solicitation of offers to buy, any of these securities. The offering is made only by the Prospectus.

Not a New Issue

September 28, 1961

250,002

The Andrew Jergens Company

Common Shares
(Without Par Value)

Price \$23 per Share

Copies of the Prospectus may be obtained in any State in which this announcement is circulated from only such of the underwriters as may legally offer these securities in compliance with the securities laws of such State.

Hornblower & Weeks

Blyth & Co., Inc.	Glore, Forgan & Co.	Goldman, Sachs & Co.	Harriman Ripley & Co. Incorporated
W. E. Hutton & Co.	Lazard Frères & Co.	Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Paine, Webber, Jackson & Curtis	Smith, Barney & Co. Incorporated	A. C. Allyn and Company Incorporated	Bache & Co.
Hemphill, Noyes & Co.	F. S. Moseley & Co.	Reynolds & Co., Inc.	Shearson, Hammill & Co.

Savings and Loan Units Must Diversify Activities

By C. Elwood Knapp,* President of United States Savings and Loan League, Chicago, Ill., and of the Friendship Federal Savings & Loan Association, Pittsburgh, Pa.

With the abatement of the housing boom, specialized types of housing and other construction have grown accompanied by opportunities in specialized lending. Mr. Knapp's review includes the pitfalls and experience gained in making loans on specialized properties for admittedly a type of lending that beefs up earnings and requires some extra effort in getting ready for it. Mr. Knapp, also, sees growing opportunities in the property improvement lending field and remindfully refers to the success of commercial banks in this area. Further, the loan official calls attention to neglected areas of land development loans and urban renewal work as additional opportune areas for Savings & Loan Association lending.

It is obvious that the market for homes, both new and old, has changed. Pent-up demand created and developed during the depression, then the war, seems to be rather well satisfied. The same can be said for demand created through the expansion of the market brought about by the general lowering of down-payment requirements and the stretching of terms. Yes, I think it is safe to say that any who have had a real desire to own a home and who have had only a modest sum accumulated, together with reasonably good income and a steady job, have been accommodated.

Higher vacancy ratios, the increased number of homes "on the market," the expansion of classified advertising, the extended periods of time it takes to "sell," all are dramatic evidences of a demand well taken care of. Now we must look to new markets to be formed, by new family formations, these destined to move up slowly from the rather low rate we have experienced in the last few years until we reach the beginning of the next population "explosion" three or four years hence. And we must be tuned in closely to the changes in buying habits and living habits of people as they occur.

"Suburbia Strain"

For more than ten years we have seen the expansion of suburbia, with its new roads, schools, churches, shopping centers and with most of it involving single-family homes. In some areas, it has reached out so far as to cause what some folks call "suburbia strain." What once was a pleasant and fast ride from home out in the country to the office in town now is an experience of fighting congestion most of the way. It is no wonder then that closer-in areas

are beginning to look a little more attractive to some, particularly when families have been raised and the fun of cutting the grass has faded. All of which suggests that we might find at least some of our lending opportunities other than those we have traditionally pursued.

If we are to maintain our position as the number one home lender in our communities in this new competitive environment, we must keep abreast of the changes in all facets of real estate and real estate markets. We must be aware of the changing landscape growing out of the activities of urban renewal, the effect of the interstate highway program, and new expressways. Changes in the residential picture bring with it changes in the needs of home owners for schools, churches, stores, and shopping centers for recreational needs such as bowling alleys, theatres, skating rinks, swimming pools, and clubs. And the continuing mobility of the American people and the changing highway picture have created a need for new motels and dining facilities. There is also a trend toward neighborhood low-rise office buildings and professional buildings.

Home Demand Diminishing

Traditionally, savings and loan associations have been home-financing institutions; and, of course, we want to continue this as our principal activity. But we must realize that there are those of our population who do not care to own homes, who prefer to live in apartments, who want elevator service, air conditioning, and up-to-date equipment and service of every kind. Some like the town house, some the high-rise apart-

ment buildings, and even the row house is on the way back. Today we hear the word "condominium"—a word that is becoming better known.

There is a broadening interest in the aesthetics of apartment structures as well as single-family homes. People want something new and good-looking to the eye. Our run-down cities just won't do. Business, too, is changing and expanding, and we find brand-new industries locating in one-story buildings in suburban areas where vast parking facilities for employees are available.

Our business was founded at a time when most of the population lived in one-family homes and it grew as it financed families into ownership of those homes. But when one-family houses have ceased to be the exclusive type of shelter, we must prepare to finance the new specialized types of living facilities being demanded.

Need for Specialized Property Loans

Making loans on specialized properties, of course, has its pitfalls; and the experience we have gained over the years in financing homes doesn't necessarily fit us to engage in it. Especially trained help, particularly in the appraisal field, may be needed and a little special training of personnel in our lending departments wouldn't hurt. But all of this is a small price to pay for keeping abreast of and being able to participate in changing markets. We need to keep funds invested, and a little diversification in our mortgage portfolios might be a good thing.

Generally speaking, we are restricted to the amount of loans we can make on specialized properties. Federal associations are governed by the basic statutory 20% of assets limitation, and many states have some rules of limitation on institutions chartered under their laws. Our research department tells me that the overall average for our business at the end of 1960 was about 7% of loan portfolio in specialized loans. Therefore, based on that average, we have quite a bit of leeway before we reach maximum limits.

I realize full well that using average figures has its disadvantages, for some institutions may be up to legal maximum now—particularly where they have been purchasers of substantial amounts of participations in one- to four-family units outside their regular lending areas. For federal associations, the combination of loans falling within the 20% of assets limitation and participations in

one- to four-family units outside their regular lending areas cannot exceed 30%.

Better Interest Return

There is one other point I think I should make in suggesting consideration of this type of lending. That is the use of this lending in beefing up earnings. Often one finds interest rates on loans of this type just a little higher than on loans on homes. And, since most loans of this type are larger than home loans, expense of servicing may be a little lower. So, an appeal not to be overlooked is the profitability of this type of lending, again warranting the extra effort required in getting prepared for it.

We have tremendous opportunities in the property improvement lending field. I know that some managing officers have been disillusioned in this field and that some have had rough experiences, but there have been many, particularly commercial banks, who have found it quite profitable as well as a valued service to their customers. I have always felt that, if others can succeed, there should be no reason why we couldn't. Much of the grief we have suffered might well have arisen through use of inexperienced personnel. This type of lending is different than mortgage lending and it follows that personnel especially trained in this type of lending are needed. In any event, let us not overlook the fact that this is a growing market estimated to range from \$8 to \$15 billion annually in the years ahead.

We should be doing a greater volume of land development loans. Recent amendments have simplified procedures for federal associations, and now they are also authorized to make loans on completed or fully developed lots.

Opportunities in Urban Renewal Program

A re-examination of our lending program as a result of the changing housing market should involve deep consideration of the role of our associations in urban renewal work. Urban renewal will provide a tremendous source of home loans as well as loans on larger structures. It also will provide an opportunity for our business to render a great public service to the people of America.

The latest available figures show that there are approximately 900 urban renewal projects in the United States, of which approximately one-half are in the execution stage. These programs involve approximately \$2 billion of federal money. This sum is only basic to the tremendous amount of equity investment and mortgage loans required from private industry to complete these urban renewal projects.

Savings and loan association executives can make a great contribution to urban renewal by accepting appointments on urban renewal commissions, urban development commissions, or whatever they may be known as in your community. Savings association executives have the know-how and the experience to see that the job is done well.

Housing for Our Senior Citizens

We have a tremendous opportunity in the field of housing for the aging. Elderly people, who regularly are becoming a larger percentage of the population, are actively seeking places to live where they will not be lonely and where they can get care. They look for housing accommodations tailored to their needs. Many have a backlog of purchasing power accumulated through savings, annuities, investments, and sale of existing homes. I know that much of what we read about the elderly would lead one to believe they are entirely dependent on the government. This just is not true. During the past ten years, the number of

people over 55 has increased 25%. Of the expected 1,250,000 housing starts in 1961, it is estimated that approximately 200,000 units will be purchased in the so-called "retirement market."

In the 1940's, the emphasis was on housing for defense and war workers. In the 1950's it was for returning veterans and newly formed families. In the 1960's, there will be increased emphasis on homes, apartments and nursing homes for the retired or, as some prefer to call them, our senior citizens.

Finally, in the Housing Act of 1961, Congress gave us new tools in the trade-in, urban renewal, housing for the aging, and business development provisions.

*An address by Mr. Knapp at the Specialized Lending Clinic sponsored by the United States Savings and Loan League, Chicago, Ill.

Customers Brokers Elect Officers

Members of the Association of Customers' Brokers held their annual election Sept 27 and chose Leo J. Larkin of Carl M. Loeb,



Leo J. Larkin Frank Dunne, Jr.



David Bell Alan Kenneth Gage

Rhoades & Co., President for the 1961-62 year. He succeeds Albert P. Gross of Bear, Stearns & Co., who has been named for a three-year term on the Executive Committee.

Mr. Larkin is a registered representative and has been with the firm 25 years. He is presently Manager of the branch offices and the mutual fund department.

Other officers chosen were:

Frank Dunne, Jr., Vice-President, Merrill Lynch, Pierce, Fenner & Smith, Inc.

David Bell, Secretary, Gruss & Company.

Alan K. Gage, Treasurer, Parrish & Co.

Also named to the Executive Committee were: Leslie Fourton, Hayden, Stone & Co.; Gordon Price, Laird & Co.; Albert P. Gross, Bear, Stearns & Co.; Leon S. Herbert, Jr., Hayden, Stone & Co.; George F. Knakal, F. I. duPont & Co.; Leonard Marshall, Harris, Upham & Co.; Leslie Phillips, Josephthal & Co., and Donald M. Schuhmann, Bache & Co.

Branch Mgr. for Sutro

HUNTINGTON, N. Y.—Mayer M. Prior, is now associated with the investment firm of Sutro Bros. & Co., members of the New York Stock Exchange and other principal exchanges, as Manager of the Huntington, L. I. office located at 417 New York Avenue.

Mr. Prior was formerly associated with the firm of Francis I. duPont & Co. for nine years.

This announcement appears as a matter of record only, these securities having been placed privately through the undersigned.

NEW ISSUES

Puerto Rico Telephone Company

\$12,500,000

5¾% Sinking Fund Debentures Series D
due September 1, 1986

50,000 Shares

6¼% Cumulative Preferred Stock, Series B
(Par Value \$100 Per Share)

Kuhn, Loeb & Co.

Incorporated

September 26, 1961

Government Loan Insurance Program—and Credit Policy

By Frances Wells Quantius, Associate Professor of Economics,
College of Commerce and Administration,
The Ohio State University, Columbus, Ohio

Ohio economics professor summarizes the haphazardly burgeoning trend of government contingent liabilities in the area of loan insurance and guaranty programs and the problems they create. They are depicted as involving housing, business and agriculture and, in turn, a host of government agencies working at times with little coordination and at cross purposes—particularly with the Federal Reserve. Dr. Wells recommends general steps that should be followed to improve and unify the administration of diverse programs and to make them consistent with monetary policy.

Over the last two decades government loan insurance and guaranty programs have mushroomed more or less haphazardly. There are now some 20 departments and agencies administering plans under which they partially or entirely insure loans that are custom-tailored according to government stipulations and made by commercial banks and other private lenders. For the most part the various government programs have been uncoordinated. Frequently they have been administered in a manner incompatible with Federal Reserve policy.¹ At present this movement to insure is gaining strength and stands in need of rigorous reexamination.



Frances W. Quantius

In July the Federal Housing Administration's program was liberalized to permit lower down payments on mortgages insured under its regular program and to extend the maximum maturity for these mortgages from 30 to 35 years. Under certain conditions special insurance was provided for mortgages maturing in an even longer period on new homes in the \$11,000 to \$15,000 range. In addition new schemes are underway for more extensive guaranties of agricultural loans and of business capital loans to modernize and expand small and medium sized firms. And Export-Import Bank officials promise a more comprehensive program for guaranteeing both commercial and political credit risks for United States exporters.

This proliferation of insurance and guaranties makes reevaluation imperative. Probably there has been so little discussion of insurance operations because administration of the various programs has not been concentrated in any one spot and because the insurance plans usually involve contingent liabilities² rather than additional government appropriations requiring Congressional approval.

For the most part the guaranties and insurance affect the economic sectors of housing, business, and agriculture. One finds several departments separately insuring the same or similar types of loans. The earliest and probably most familiar program is that of the Federal Housing Administration under which not only home mortgage loans are insured but also renovation loans for property improvement, mortgage loans on co-operative housing projects, and mortgage loans on rental housing projects of various types including mobile home courts. The Vet-

erans' Administration and the Urban Renewal Administration also guarantee home loans.

In the business sector working capital loans to contractors and sub-contractors under government contract to supply goods or services for defense purposes are guaranteed by the several departments for which the work is to be done. These include the Atomic Energy Commission, Air Force, Army, Navy, General Services Administration, National Aeronautics and Space Administration, and the Departments of the Interior and Agriculture. Under one of the newer programs (1958) the Interstate Commerce Commission guarantees loans to United States railroads. Insurance of privately financed ship construction and mortgage loans has been authorized by 1954 and 1956 amendments to the Merchant Marine Act. Under this legislation the Maritime Commission insures construction loans equal to 75% of the construction or reconstruction cost of miscellaneous vessels documented under the laws of the United States. When the vessel has been completed, a mortgage may be insured not exceeding 87½% of the actual cost of the construction and varying with gross tonnage and knot speed.

Another significant business program is the Small Business Administration's deferred loan participation plan to help small firms obtain adequate capital. SBA agrees to purchase from the lending bank, at any time during a stated period not to exceed ten years, a fixed percentage of the outstanding loan balance, ordinarily not exceeding 90% or \$350,000. There are arrangements for a number of small business concerns to obtain a pooled loan to establish corporations for miscellaneous purposes. Other loans to set up and expand small businesses are insured by the Veterans' Administration. Finally, business loans to be employed abroad are insured by both the Development Loan Fund and the Export-Import Bank.

Likewise in the agricultural sector loans are insured by a number of agencies and departments. The Farmers' Home Administration insures two general types of loans — farm ownership loans to purchase, enlarge, and develop family type farms and soil and water conservation loans. Other farm loans are insured by the Veterans' Administration, Commodity Credit Corporation, and the Departments of Agriculture and the Interior.

Diffuses Federal Reserve Power

Actually the insurance feature attached to the above loans serves as a selective credit control in that it affects the cost and availability of loans to specified types of potential borrowers. Thus the programs result in a diffusion among government departments of the kind of power held by the Federal Reserve — central banking power over the cost and availability of credit. Diffusion in itself is not so much a problem when various credit policies are coordinated.

Experience since 1946, however, shows that this has not been the case with loan insurance and that in fact there has been more divergence than concurrence in the net flows of loan insurance and reserve bank credit.³ Often in the years following World War II loan insurance has performed counter-cyclically and has contributed substantially to inflation. This serves as one illustration that the division of central banking powers between the Federal Reserve and a number of government departments and agencies constitutes a major economic problem in our country and tends to weaken the effectiveness of monetary policy.

Recommends Reform Measures

Although no one can be sure of the future for loan insurance, any major cutback, even if proven desirable in some cases, is most unlikely. Therefore it seems the sensible thing to improve the administration of the programs and to consider unifying them or at least making them, when at all possible, consistent with each other and with Federal Reserve credit policy. This appears to be the sentiment among bankers who have had experience with loan insurance as well as among other interested economists.

A recent inquiry of mine among a representative sample of informed Ohio bankers indicates the banking viewpoint on current insurance programs. There is an overwhelming conviction that economic instability in certain industries, particularly housing, has been increased by existing loan insurance plans. In the case of housing the relative inflexibility of allowable maximum interest rates together with the uncertainties of increasing yields through the use of discounts have led lenders in periods of great credit demand to withdraw funds from in-

³ Saulnier, Halcrow, and Jacoby, *op. cit.*, Ch. V.

sured loans and to tighten credit terms on conventional loans.

There is also a strongly held opinion among bankers that some government agencies do a better job with the insurance and guaranties than others and that from the functional, administrative viewpoint the programs should be synchronized and handled by either one insuring agency or by a very few departments. Many bankers suggest that all insurance of any one type be offered by only one agency. Respondents are about evenly divided on the question of whether credit standards have been appreciably lowered as a result of present loan insurance programs. Perhaps the most that can be said is that it is clear that some lenders have lowered their credit standards. However, there is considerable difference of opinion in banking and government circles concerning adequate credit standards — for example, as to what, at the start, constitutes a reasonable equity in buying a home.

These points illustrate some of the practical problems associated with the insurance programs. There is also, of course, the theoretical question of the desirability of selective credit controls. While this may be passed over for the present, the other issues raised here are of grave import. With new schemes underway, constant review of the insurance programs and their effects becomes almost a necessity.

Form V.P. McMahon & Co.

CHICAGO, Ill.—Vincent P. McMahon & Co. has been formed with offices at 141 West Jackson Boulevard, to engage in a securities business. Partners are Vincent P. McMahon, Jeremiah J. Nolan, and John J. Nolan, General Partners, and Joseph J. Crilly, Limited Partner.

Fornacca Joins Hutton Intern'l

John J. Fornacca, recently retired as managing director of the American Express Company S.A.I. in Rome, Italy, after 42 years of service, is now associated with W. E. Hutton International, Inc., a subsidiary of W. E. Hutton & Co., 14 Wall Street, N. Y., members of the New York Stock Exchange, it has been announced.

Widely known in Rome and throughout Italy, Mr. Fornacca will make his headquarters at W. E. Hutton's office, 7 Via Lucullo, in Rome, where he will serve as the investment firm's representative. He was recently elected Commander of the American Legion in Italy, a serviceman's group which boasts a membership of about 4,000 veterans, and has been decorated by the Italian Government. Giovanni Gronchi, President of the Italian Government, recently promoted him to the rank of Grand Officer of the Order of Merit of the Italian Republic, the highest rank attainable in that Order.

He is a charter member of the SKAL Club of Rome, a long time director of the American Chamber of Commerce for Italy, and a Rotarian since 1928.

H. Neuirth Co. Opens

H. Neuirth & Co., Inc. has been formed with offices at 70 Pine St., New York City, to engage in a securities business. Henry M. Neuirth is a principal of the firm.

Now Corporation

WILMINGTON, Del.—The investment business of S. L. Sutton & Co., Hetzler Building, is now being conducted as a corporation. Stephen L. Sutton, formerly proprietor, is President, and J. Grier Ralston, Jr. is Secretary.

This is not an offer of these securities for sale. The offer is made only by the Prospectus.

NEW ISSUE

325,000 Shares

MITE Corporation

Capital Stock

(Par Value \$1 Per Share)

Price \$11.25 per share

Copies of the Prospectus may be obtained in any State in which this announcement is circulated from only such of the underwriters, including the undersigned, as may lawfully offer these securities in such State.

Kidder, Peabody & Co.

Chas. W. Scranton & Co.

Hemphill, Noyes & Co.

Wertheim & Co.

F. S. Moseley & Co.

A. C. Allyn and Company

Bache & Co.

William Blair & Company

Francis I. duPont & Co.

Estabrook & Co.

Goodbody & Co.

Walston & Co., Inc.

September 22, 1961.

¹ Saulnier, Halcrow, and Jacoby, *Federal Lending and Loan Insurance*, National Bureau of Economic Research, 1958, Chapter V.

² Break, G. F., *The Economic Impact of Federal Loan Insurance*, National Planning Association, 1961, p. 41.

PUBLIC UTILITY SECURITIES BY OWEN ELY

Montana Power Company

Montana Power, with annual revenues of nearly \$50 million, serves about 60% of the state of Montana, including 36 counties with a population of over 500,000. (It also serves a small part of Idaho.) Leading cities in the area are Billings, Bozeman, Butte, Helena, Great Falls and Missoula. A smaller area is served with gas which contributes about 31% of revenues. The service area is the fastest growing section of the state; the city of Billings with a population of nearly 67,000 has enjoyed a rise in population of 50% in the past decade, and the company's revenues have about doubled.

The company's largest customer is the Anaconda Company, which now provides about 17% of revenues compared with 30% in 1950. Anaconda's operations were affected in 1959 by a strike and in most of 1960 by the business recession but Montana Power made an excellent showing in 1960 despite this factor. Since March 1961 Anaconda's operations have shown an upturn.

Principal activities in Montana include farming, livestock raising, mining and smelting, oil and gas production and refining, lumbering, the tourist trade and some small manufacturing. The company's revenues are about 37% residential, 23% commercial, 28% industrial and 12% utility and miscellaneous.

Montana Power is primarily a hydro-electric property with capability of about 600,000 kw, including 66,000 kw standby steam capacity not used in 1960. An additional 75,000 kw is available under firm purchased power contracts. Last year's peak load was 557,000 kw. The company has applied to the FPC for a license to build and operate two hydro projects on the Flathead River in western Montana with a potential capacity of 240,000 kw.

In case the 240,000 kw hydro project is delayed, the company will be able to meet its 1964-65 and future requirements by the construction of 100,000-kw steam-electric generating stations in the Billings area, utilizing the low-

cost coal reserves which were acquired from the Northern Pacific Railway Company at Colstrip, Montana, in 1959.

The company produced 73% of its natural gas needs in 1960. Recoverable gas reserves were estimated at 513 billion cf at Dec. 31, 1960, including the amount contracted for purchase from Montana-Dakota Utilities. A relatively small amount of oil production is being developed, which could become increasingly important over a period of time. There have been no major gas fields developed in Montana since the 1930s and hence it was necessary to obtain a supply of Canadian gas to meet future growth. A substantial pipeline construction program and gas storage development project are being carried out to prepare for the importation late this year of Canadian gas, which will be purchased from Alberta & Southern Gas Company. Availability of this gas, plus new discoveries and purchases by Canadian-Montana Gas Company, will provide an additional 11 billion cf per year but will increase the company's expenses for purchased gas by approximately \$2,500,000 a year.

Montana Power's construction expenses are estimated at \$12 million for this year and will average about \$13 million annually over the next five years. The major electric construction project this year is the building of lines and substations to serve Minuteman missile facilities, either directly or through REAs; the missile projects will be located throughout a wide area of central Montana. Yellowstone Park facilities are also being expanded, and automation of hydro plants is being developed. Repairs on the Hebgen Storage Dam which was damaged by the 1959 earthquake were completed last year at a cost of \$314,000 and the big reservoir (used to regulate water releases for downstream hydro plants) is being refilled this year.

Montana Power's properties are evaluated on a fair value basis for rate-making purposes and hence the company has enjoyed a higher-than-average rate of re-

turn on net plant taken on an original cost basis, the returns on net plant amounting to 8.2% in 1960. The company is seeking an increase in gas rates.

Montana Power is using accelerated depreciation and prior to 1960 it had used "flow through" of tax savings resulting therefrom. However, an order of the Public Service Commission of Montana dated Dec. 28, 1960, directed the company to normalize tax savings, and earnings figures were adjusted back through 1955 on a retroactive basis. Thus the earnings for 1960 were reduced from \$1.57 to \$1.51, in 1959 from \$1.37 to \$1.32, etc.

The earnings for 1961 have been affected by an extremely warm winter in which temperatures averaged from 5% to 36% above the corresponding months of 1960. Weather adversely affected residential and commercial gas usage and also had an effect on electric usage by those customers. Earnings for the year 1961 are estimated around \$1.55 or better depending somewhat on the decision with respect to natural gas rates. Over the longer term a favorable factor is the probability that no additional common stock will have to be sold until 1965. Dividend payout has been on the low side historically but has now risen to 75% of earnings. The dividend rate has been increased each year since 1953.

Earnings per share were \$1.51 last year compared with 84 cents in 1954 and \$1.01 in 1955. Despite the elimination of flow through, they have shown an average compounded rate of growth of over 8% per annum since 1955. The gain this year will of course be smaller.

At this writing (Sept. 25) Montana Power has advanced to a new high of 42, from the year's low of 31. At this price, and based on the current dividend rate of \$1.12, the stock yields 2.7%, and sells at over 27 times estimated 1961 earnings.

Now Corporation

OKLAHOMA CITY, Okla. — Col. John Patrick Crehan, 3241 Northwest 20th Street, is now conducting his investment business under the firm name of Col. John Patrick Crehan, Inc.

Now Hartley, Ziobro

EAST RUTHERFORD, N. J. — The firm name of Mutual Fund Sales Co., 158 Orchard Street has been changed to Hartley, Ziobro & Co.

Ohio Franklin Fund Inc. is a diversified investment company. Without incurring federal capital gains tax at the time of exchange for Fund shares, investors have the opportunity for diversification and professional investment management. The objective of Ohio Franklin Fund Inc. is possible long-term growth of capital and income through selective participation in the progress of American business and industry.

Individual investors may exchange blocks of acceptable securities, with a minimum market value of \$10,000, for Fund shares. The exchange is based on one share of Ohio Franklin Fund Inc. for each \$20.00 of market value of securities deposited, less compensation to the Dealer Manager, as described in the Prospectus.

Investment dealers and individuals may obtain a copy of the Prospectus, in states where authorized for distribution, from The Ohio Company, Dealer Manager of the Fund.

THE OHIO COMPANY
Member of the Midwest Stock Exchange



51 N. High St.
investments
Columbus 15, Ohio

Government by Blackmail

By M. R. Lefkoe, New York City

Writer denounces President Kennedy's letter to larger steel companies as an attempt to brainwash the steel industry into serving as a springboard for across-the-board price and wage controls. Describing the letter as a contradiction in terms, Mr. Lefkoe warns that if steel, a bellwether industry, is successfully "blackmailed" into doing what the Administration wants it will signal government intervention of all forms throughout the economy and at the expense of more individual rights.

In his letter of Sept. 6 to the heads of twelve major steel companies, President Kennedy threatened the steel industry with government intervention because, being a "bellwether," a decision to increase prices could shatter the country's "price stability" and lead to "grave" economic consequences. One need not accept the President's reasoning in order to agree that the steel industry is a bellwether, since government intervention here may well set a new pattern for increased controls in many other segments of the economy.

By threatening government intervention, Mr. Kennedy places himself in an irreconcilable contradiction since he goes on to say, "Our economy has flourished in freedom; let us now demonstrate again that the responsible exercise of economic freedom serves the national welfare." Since freedom is impossible without property rights, Mr. Kennedy's contradiction is found in his advocacy of freedom on the one hand, and his denial of property rights on the other. In fact, the President prefers to ignore completely the fundamental issue, which is: Does our government, or any government, have the right to refuse to recognize the rights of its citizens in the name of the "national welfare?"

The right to acquire, use, and dispose of property and the values created from property is the essence of property rights. One cannot claim to own property if someone else has the power to determine how the property is to be used, whether or not it can be disposed of, or what price can be charged for its disposal. If all the attributes of property rights are denied and withheld from the property owner, property rights become meaningless.

To possess the right to life without being able to possess the means of survival, is a contradiction in terms; to possess the right of liberty (the freedom to act in one's own self-interest without violating the rights of others) without the means of action, is a contradiction in terms; the right to pursue happiness without the right to possess those things which are the means enabling man to achieve the values which bring him happiness, is a contradiction in terms. For President Kennedy to declare that he upholds man's inalienable rights to life, liberty and the pursuit of happiness, while at the same time denying the individual the right of property, is the contradiction which, if left unchallenged, will undermine and ultimately destroy a free society.

Charges "Brainwashing"

In a country so ostensibly devoted to the rights of man, it is worth considering the question of how the point has been reached whereby our government can threaten, with impunity, the rights of its citizens. In the past, governments have often succeeded in convincing a great many of their citizens that the only way to cure most of the problems which confront them is to institute more government controls over the economy, ignoring the fact that previous government intervention was the cause of most of the problems in the first place. If a government can blame someone—anyone—loudly enough, long enough, and for enough evils,

eventually many of its citizens will start to believe what they hear. This brainwashing is currently being attempted with regard to the steel industry.

The President's letter provides an illuminating illustration of how our government is making use of this method in its attempt to negate property rights. In expressing his "concern for the stability of steel prices," Mr. Kennedy made several assertions: First, general inflation would be the necessary result of an increase in steel prices and the steel industry would be held accountable for such inflation. Second, the international competitive position of American producers was impaired during 1957 and 1958 (when steel prices were last increased) with a consequent weakening in our balance of payments. (A causal relationship is clearly implied with a warning that if the steel companies increase their prices now, we can expect the same results.) Third, a rise in steel prices would "force price increases in many industries and invite price increases in others." Fourth, the consequences of these price increases throughout the economy might require "the adoption of restrictive monetary and fiscal measures which would retard recovery, hold employment at intolerable levels, and hamper growth"; a rather disastrous government prescription even if inflation is the symptom. Fifth, the combination of all these effects would be detrimental to the nation in its attempt to "maintain the economic vitality necessary to face confidently the trials and crises of our perilous world." Mr. Kennedy closes his letter with the statement that he is sure "that the owners and managers of our nation's major steel companies share [his] conviction that the clear call of national interest must be heeded."

Who Should Be Blamed

Here we see the government blaming someone "loudly enough, long enough, and for enough evils," and providing itself with an alibi should any aspect of government policy fail to produce beneficial results. If the steel industry raises its prices, as it has every moral right to do, it will be blamed for: inflation; an unfavorable balance of trade; an increase in the price of any other product; retarded recovery, intolerable levels of employment, and hampered growth (which admittedly would be government induced); and a failure to survive international perils.

Finally, in order to preclude any unanticipated catastrophe, the President will hold the steel industry responsible for anything detrimental to the "national interest." It is further interesting to note that in the name of the "national interest," he threatens to abridge that "economic freedom" which he himself claims is responsible for American economic progress.

This process of brainwashing has now reached the stage that the Administration thinks it can get away with using blackmail and bribery in its attempt to negate property rights. In a special memorandum to the steel companies, Townsend-Greenspan & Co., an economic consulting firm, identified the fact that Mr. Kennedy's letter "contains both a threat and

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a bribe. It threatens the steel industry with painful consequences should the industry refuse to exercise 'restraint'—meaning: should the industry refuse to pretend that its 'greed' is the cause of inflation and should it consider its own economic interests. It offers the industry a bribe—in the none too subtle hint that, if the industry is cooperative, the government will crack down on steel workers next year when they demand a raise in wages. In plain language, this is government by blackmail."

Sees Real Threat

Since the Secretary of Labor is a former attorney for the Steelworkers Union and the current Administration derives a large part of its support from labor unions, the bribe is spurious to say the least; however, there is no doubt whatsoever that the threat is real. Several weeks prior to President Kennedy's letter, Senator Gore of Tennessee warned the steel industry not to raise its prices and even went so far as to demand that the industry be classified as a public utility if all other means of government intervention fail to prevent a price increase.

President Kennedy's letter to the steel companies is only another step in what has been a series of maneuvers designed to brainwash the public into believing that price controls are necessary for the steel industry—and for any other industry whose products are said to be essential to the "national welfare." If the American businessman and general public swallow such assertions and acquiesce to a government run by blackmail, they will not and, in fact, cannot complain about the gradual disintegration of their rights.

The steel industry is a "bell-wether": Any success on the government's part in establishing price controls over the steel industry could very well serve as a springboard for the re-establishment of across-the-board price and wage controls. Moreover, if business and the public at large should approve of the government's attempt to regulate the steel industry in any way, it would be the signal for additional government intervention of all forms throughout the economy, entailing a still further infringement of individual rights.

Rockefeller to Address N.Y. Chamber

Governor Nelson A. Rockefeller will address the monthly luncheon meeting of the New York Chamber of Commerce on Wednesday, October 4.

The meeting will be held at 12:00 noon in the Great Hall of the Chamber's building, 65 Liberty St.

The Governor's topic will be Acceleration of Economic Growth in New York City."



Nelson A. Rockefeller

Form S. H. Rifkin Co.

S. H. Rifkin & Co., Inc. has been formed with offices at 175 West 73rd Street, New York City, to engage in a securities business. Officers are Stephen H. Rifkin, President; Sandra Rifkin, Secretary; and Michael I. Begun, Treasurer. Mr. Rifkin was previously with Rittmaster, Voisin & Co. and A. T. Brod & Co.

Growing Development of Bank-Affiliated SBICs

By Phil David Fine,* Deputy Administrator, Small Business Administration, Washington, D. C.

Lawyer-banker turned SBA Administrator recounts recent improvements made in that Agency; stresses the advantages and special appeal of the SBIC program to banks; and proudly calls attention to the shift from lending to equity financing programs. Mr. Fine points out that the SBA program marks, for the first time in 25 years, a retreat from the Glass-Steagall Act's complete proscription against bank involvement in equity financing.

Back in 1933 the Nation's banks had a door to profit slammed in their faces through enactment of the Glass-Steagall Act. This legislation prohibited banks from engaging in equity capital operations.

The reasons for this closing of the equity financing door to banks were numerous, and in the light of the abuses of good financing practices which had taken place among some banking groups, they were justified.

Twenty-five years later, in August, 1958, Congress lifted the ban against participation in equity financing for banks, at least indirectly, by permitting limited bank ownership in a small business investment company licensed by the SBA.

The legislation establishing small business investment companies brought varying reactions from the banking community. Most approved it, but some professed to see in it

(1) Increased competition for banks—a specter which I think will be exorcised later on in my remarks;

(2) Government intrusion into private enterprise—another false fear in view of the private ownership and operation of these companies;

(3) A vast dollar outlay by the Government—and this I will refute by showing how every dollar of Government seed money has generated \$6.00 in immediately available investment capital, which in its turn can generate almost illimitable returns to the economy when properly—and perhaps I should say fortunately—invested.

Quite a few of the bankers took refuge in a "wait-and-see" attitude. This failing—if it is a failing—is certainly not peculiar to the banking fraternity, and I cannot honestly quarrel with the views of those who want to see some actual operating results before they put up substantial quantities of dollars.

First Time in 25 Years

In any case, there were a few far-sighted banks and financiers who almost immediately saw the potentialities of the program. They saw that for the first time in 25 years banks could have a chance to share in the growth of small business concerns which they had been dealing with, or perhaps making "partnership loans," or perhaps having to turn them away.

They saw too, as one banker put it to me, that for the first time in a long while, a loss would be recognized as a loss, and not have to be a strictly limited deduction.

Well, as I say, a few banks saw this. As a matter of fact, one of the first two companies licensed was wholly-owned by a bank—Citizens and Southern of Atlanta.

Others began to come in. For example, one New York bank started a company and within a short time was successful in sell-

ing a public stock issue to obtain additional funds.

At the end of its first year of operations as a publicly owned company this SBIC had made 11 actual investments of funds in small businesses totalling more than \$2.5 million and not a single one was in the form of a straight loan, the traditional instrument through which banks operate to make profits for themselves, their stockholders and operate for the benefit of their communities.

This SBIC had purchased more than \$2 million in debt securities with conversion privileges and has invested another \$380,000 in small businesses through stock purchases.

Another I could cite had by the end of March invested nearly \$6 million in 22 small businesses, \$400,000 in straight loans and four and three-quarter million dollars in equity-type securities and another \$500,000 in straight stock purchases.

Let's take a hypothetical case of a company which has obtained needed long-term capital from a bank-affiliated SBIC and, having expanded, needs short-term funds. In addition to the borrower's natural inclination to talk over his financing problems with his original supplier, in all probability the bank-affiliated SBIC will have anticipated the borrowing needs of the business and the bank will be ready to supply the needed

funds. I think I need not dwell longer on the future possibilities which this service promotes.

Outlines Growth

At present there are 55 bank-affiliated SBICs (13 of which have gone "public" for a total of slightly over \$73,000,000) and they have invested nearly \$20 million in small business. These 55 SBICs have 115 or more banks or bank holding companies as stockholders.

Nearly 80% of these are what we call "minimum" companies—with total capital of \$325,000 or less—and would be expected to concentrate on loans, the time-tested avenue of bank investment.

Despite this, less than \$5 million of the funds invested in small businesses by bank-affiliated SBICs is in loans. The balance, approximately \$16 million, is in debt securities bearing stock conversion rights or in outright purchases of stock in small firms.

Thus banks, indirectly released from the provisions of the Glass-Steagall Act—at least to the extent of 1% of their capital and surplus—have turned full cycle and are again in the equity investment field.

But a bigger role yet for banks is in the offing.

As we know, an SBIC, bank-owned or not, is eligible to borrow from the SBA up to 50% of its capital at 5% for re-investment in small business, after its original capital is invested or loaned out.

Suggests Newer Bank Loan Guarantees

I have urged the Administration that the SBA be allowed to arrange with the nation's banks for participation in these borrowings or to make the loans themselves, with the provision that the SBA supply guarantees to the banks that the Agency will absorb these loans when the banks want to move out of the loans for purposes of liquidity.

Such an arrangement might include the privilege of buying back

or re-engaging in temporary absorption of these loans when the bank is in a more liquid position.

I believe that the plan would be effective and at the same time advantageous to the SBA, the Treasury and the banks involved, to say nothing of the expanded credit made available for small businesses in need of financing.

This is but one example of the avenues to be explored to aid small business investment companies, cooperating at the same time with the banking fraternity.

Banks are, in every sense, the fountainhead of concentrated capital and we expect to cooperate with them in SBIC financing as well as through regular loans under the Small Business Administration's regular business lending program.

Shortly after I became Deputy Administrator in charge of the Small Business Investment Company program, we instituted a study to see where procedures could be speeded up for licensing new companies whose proposals were already under review.

Expediting Licensing

Before the results of the study were fully tabulated, it was obvious that unnecessary steps were being followed—partly because procedures were carried over from other agencies of the Government from which many of our people had been recruited, and partly because in the evolution of a progressive program such as this, steps essential in the beginning became deterrents at this point.

Within a few weeks we eliminated 14 non-contributing steps in the processing of a Proposal. While this was an administrative problem within the Agency, to the SBICs, it has meant a reduction of approximately a month in the time previously required to license a company.

The results of this study should be clear when I cite that under my administration of the program we

Continued on page 21

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NOT A NEW ISSUE

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Profaning Our Monetary System Invites Disaster

By Joseph Mosby Horner, San Antonio, Texas

A Texas student of our monetary system for many years distills from standard sources the record of what unprofaned money and banking consisted of in the warp and woof of events since our first coinage law in 1792. There is no uncertainty in Mr. Horner's mind as to what our monetary and banking laws should be in the light of the still unamended pertinent constitutional provisions. He fears lessons learned from our past destructive experience are forgotten by those who favor profaning our money and credit instruments.

It is proposed to remind the reader of our many violations of our Constitutional provisions as to money—metallic coin.

The Law of 1792

The Law of 1792, our first coinage law, wisely regulated the mint value, or the certain specified standard measure of silver and that of gold for coinage. The measure of silver was a coin weighing 371.25 grains of pure silver; the measure of gold was a coin weighing 24.75 grains of pure gold. Each was called "one dollar."

But this law contained Section II, a futile attempt to regulate the market value, or the desirability in the market, of metallic coin. The section said:

That the proportional value of gold to silver in all coins which shall by law be current as money within the United States shall be as fifteen to one, according to quantity in weight, of pure gold or pure silver, that is to say, every fifteen pounds weight of pure silver shall be of equal value in all payments with one pound weight of pure gold and so in proportion as to any greater or less quantities of the respective metals. [U. S. STATUTES AT LARGE—ACTS, THE SECOND CONGRESS OF THE U. S., STATUTE I., CHAP. XVI.]

So here we have our first act of profanity referred to in this article's title.

In Chapter V of his *A History of Currency in the United States*, the late A. Barton Hepburn wrote that for about 10 years the silver and gold pieces bore an approximately equal market value, or degree of desirability to each other. However, in 1803 France adopted a market value ratio of silver to gold of 15½ to 1. This "upset the apple cart." Gold promptly disappeared from this country. The French activity was not the only adversity. Conditions during the War of 1812 and the adoption in 1816 of the gold standard by Eng-

land with a subsidiary silver coinage at the rate of 16 to 1 were decidedly injurious to our plans. [See Hepburn, op. cit.]

Except in the period, 1900 to 1933, the lesson has done nothing to promote our abandonment of repeated futile and unconstitutional legislation to change silver's market value.

In the year 1834 our second coinage law was passed. Without referring to the silver coinage law, it changed the weight of the standard gold dollar from 24.75 grains of pure gold to 23.29 grains of pure gold. Grossly violating Article I, Section 10, the Constitution, the measure neglected to say that existing contracts should be settled on the pre-existing basis.

In 1837 a law was passed changing the fineness of both standard metal coins. Instead of the old fineness of both standard metal coins, this was to be .900. The standard gold piece was to be 25.8 grains, or more correctly stated, would be, because of this change of fineness. The gross weight of silver in the standard silver dollar was changed from 416 to 412 and one-half grains. The weight of pure silver remained 371.25 grains. This has not been changed, but on Jan. 31, 1934, with its fineness unchanged, the weight of the standard gold dollar was changed to 13 and five-sevenths grains. We repeated our violation of the Constitutional law pertaining to contracts of which we were guilty when changing the standard gold dollar's weight in 1834.

It should be observed that as early as 1816 England, by making silver coinage subsidiary to gold coinage, assured her-elf of an adequate supply of silver. It is most unfortunate that we overlooked this activity so far as to go unrestrained in practicing our unconstitutional bimetalism.

The most serious consequence of the aforementioned violations of the Constitution was a scar-

city of exchange media. This observation leads to considering the subject of paper exchange media. The subject cannot be discussed properly without noticing that throughout our history lawful paper promises to pay money, together with sound coinage, have been required in order to carry on commerce and trade of all kinds with unquestioned media of payment.

To think fully about paper exchange media we are required to consider some of the history of banking.

Some Good Banks

The oldest bank on our continent is the Bank of North America, wholly privately owned since a short time after its incorporation. This was done under the law of Pennsylvania in the year 1781. For some years its name has been changed, but its good management has lasted throughout its long and useful career.

The two next in age are the great privately owned Bank of New York, New York City, and the Massachusetts Bank, since 1903, called the First National Bank, Boston. Each of these was incorporated under its State law and in the year 1784, since when they have been continuously privately owned and privately, as well as usefully, managed.

The next bank was the First Bank of the United States, so named because its charter was granted by the United States Congress.

This institution began operations in 1791, the first year of its charter, and continued for the 20 years of such charter. Its success was great and, though not above criticism, its management can be thought of as remarkably good. Congress refused to renew its charter. The lamented Stephen H. Girard of Philadelphia, the home of this great bank, took over its assets and, under the name, Girard's Bank, and under a Pennsylvania charter, continued its successful operations. This institution has thrived to date.

Immediately upon the establishment of the afore-mentioned bank, our profanity reappeared. Our Federal Government became the owner of some of the institution's capital stock, thus violating the Constitution's withholding from Congress a delegation of the power to emit Bills of Credit. As if this wrong was not enough, we violated the Common Law through paying for our stock by paying the amount of the stock's cost with a loan of such cost by the bank, an act which constituted a swindle, for by such action we became debtors instead of creditors.

In his *History of Banks in the United States* the late great authority, William Graham Sumner, calling this wrong a swindle, considered it an extremely bad example which prompted numerous similar violations by individuals when organizing state banks.

Unconstitutional United States Bills of Credit

The issuance of unconstitutional bills of credit by the United States Treasury began in 1837. Previously, in the years 1812, 1813, 1814, and 1815, the Treasury legitimately borrowed money. It did this through the issuance of notes bearing interest conforming to reasonable sums for credit. They were in the form of receipts for all dues payable to the United States Government. In his authentic *United States Notes*, the late John Jay Knox described all of these and added that they were all speedily funded into 7% bonds.

Notwithstanding the above history, a trend of dangerous sentiment was setting in. In his *A Financial History of the United States*, Vol. 2, p. 237, we find the late Albert S. Bolles saying: "Toward the close of the year 1814, Jefferson suggested the expediency of issuing paper money

gradually to the amount of \$200,000,000."

From 1837 to March 2, 1861, inclusive, there were passed 13 acts, in all, causing issues of Federal Government promises to pay money. In 1838 the activity encountered strong opposition from the eminent Representative Caleb Cushing, and, in 1844, from the Committee of Ways and Means. In both instances, the opposition was based entirely on the Constitution. [See Knox, op. cit.]

Unlawful Private and Unlawful State Issues of Bills of Credit

Honorable banks, wholly privately owned and operated without State participation were, of course, entitled to and were granted charters. Their number was small. But there were, in addition, those whose assets were known to be fictitious. Of the many bad banks, the late William Graham Sumner, in his *History of Banking in the United States*, page 72, said:

"Ten men, who individually, could not have borrowed ten dollars apiece, associated themselves into a 'bank' and by circulation and deposits borrowed \$100,000."

To a very limited degree these swindles came into being soon after the first Bank of the United States opened, but this concern proved to be a great deterrent to any chance of success in operating bad banks. Its services to individuals and to private institutions were extensive and they included handling remittances drawn on other banks. Being the Treasury's fiscal agent, it received such payments to it as were drawn on local banks scattered throughout the country. If these and that smaller number which were of the first class mentioned were not payable promptly in specie, the drafts were rejected without delay. This practice kept to a low figure the number of private banks, many of which were the swindles referred to by Sumner.

When the charter of this first Bank of the United States expired in 1811, the circulation of all of our banks was \$23,000,000. For an example of great contrast, consider the following: By 1815, only four years later, the circulation had increased to \$110,000,000. [See Hepburn, op. cit., p. 89.]

Specie almost completely disappeared. The War of 1812 suffered so greatly from bad financial policies that, in 1816, a second Bank of the United States was allowed to incorporate. The charter was to expire in 1836, and at that time renewal was denied.

The evil, a participation of the Federal Government in the ownership, came in the same unlawful manner as it had in the first bank, but another evil arose.

This, proving to be far worse,

was active participation by our government, from 1816 until 1819, in the Bank's management. By the end of that short period the institution was nearly bankrupt and was saved only by a change to wholly private management such as was had during the remaining 17 years of its Federal charter, throughout which time more orderly financing was conducted.

When its charter expired in 1836, the United States derived a profit of more than \$6,000,000 on its investment. [Hepburn, op. cit., p. 125.]

This strikingly illustrates the yield from all of its stock while its Federal charter lasted.

Illegal Banking

After 1811, when the first Bank's national charter expired, many states actively participated in the ownership of state banks. By doing this the states violated that part of Section 10, Article I, the Constitution, saying: "No State shall emit bills of Credit."

The late Albert J. Beveridge, in his monumental biography of John Marshall, referring (Vol. 4, p. 171) to the period, 1811 to 1819, said of the generally bad conditions:

The immediate cause of the country's plight was an utter chaos in banking. Seldom has such a financial motley ever covered with variegated rags the backs of a people.

These same remarks would have been equally applicable to conditions beginning in 1837 and lasting for a long time.

Wide agreement prevails that our worst business crisis before 1929 came in 1837. This was induced by an enormously undue speculation arising from the expansion of the country's many irresponsible state banks, as well as the creation of new ones upon the transfer to state banks, generally, in 1836, of the Treasury's funds deposited in the Second Bank.

The beginning of the crisis of 1837 resulted from President Jackson's undertaking to require specie for land purchases. This caused a violent collapse of the speculation and serious troubles generally, notably in the West.

Again, in 1857, speculation brought on a financial crisis. Its life was shorter than those immediately preceding, and, since it was less violent, we will observe space limitations and say nothing about this last financial crisis preceding the Civil War.

Profanity Coinciding with the Civil War

It cannot be too strongly emphasized that Congress has no power to emit bills of credit. The reader is urged to remember that Congress was given only two powers over money. One is: "To

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This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Offering Circular, which is available only in such states where these securities may be lawfully sold.

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borrow money on the credit of the United States." The other is: "To coin money, regulate the value thereof, and of foreign coin. . . ."

Its great cost is so well known that we omit discussion of the irredeemable circulating currency had from 1862 to 1879; but the less often noticed, despite its great importance, National Banking Act will now receive attention.

The National Banking Act was passed during the Civil War. Its purpose was to provide for a system of banks, the members of which were to be chartered by Congress and partially managed by the Treasury. The credits of deposits were to be in terms of metallic coin-money. Such credits were subject to demand withdrawal by checks, or paper promises of these banks to pay on demand. These latter instruments constituted mainly hand-to-hand currency for small transactions. But the security for money on deposit was to be, mainly, not money, but U. S. Government bonds, a matter requiring the banks' purchases of Government bonds.

If, as we know, Congress has no power to issue Bills of Credit, certainly it has no power to cause to be established a system of banks, partially managed by the Treasury. To do this for the clear purpose of providing a market for Government bonds, a wrong in itself, involved the practice of John Lawism, a policy which, in the 18th century, almost wrecked France.

Attention is directed to the fact that the National Banking System was strongly opposed by many bankers. [A *Financial History of the United States*, by A. S. Bolles, Vol. 2, p. 200.]

Well proven in the crises of 1883, 1893, and 1907, as well as some minor ones, was the inability of members of the system to extend accommodations to their patrons.

The Federal Reserve System

The Federal Reserve System was created by the Federal Reserve Act of Dec. 23, 1913; and the Federal Reserve Banks opened their doors for business Nov. 16, 1914. [The *ABC of the Federal Reserve System*, by Edwin Walter Kemmerer and Donald L. Kemmerer.]

All National banks were required to subscribe to its capital and thus to become member banks. Bonds were not to be used to secure their circulating media of exchange and deposits. The leading and widely proclaimed objective was to secure an elastic currency. This, as well as were deposits, was to be secured by metallic coin-money. Progressive as this act was, it was rendered unconstitutional by the government's participation in the institution's management. As above stated, all National banks had to forfeit their independence by furnishing the institution's capital. Every piece of Federal Reserve paper money must bear the signature of the Secretary of the Treasury. Moreover, the Board of Governors consists of seven members, appointed by the President of the United States, with the advice and consent of the Senate, who hold office for 14 years.

The primary objective of providing an elastic currency was reached through limiting to metallic coin the security which could be used for bank bills or demand deposits. This proved to be temporary because, in 1932, John Lawism was reinstated. In Kemmerer, *op. cit.*, p. 113, appears the following: "The Glass - Steagall Act of Feb. 27, 1932, temporarily authorized the use of United States Government obligations as collateral security for Federal reserve notes."

Bad as was this departure from sound principle, its possible redeeming feature was that it was to be temporary. Even so, the

authorization has proved to be permanent, and the evil is connected with the shameful action now to be noticed. The reader is asked to recall the high character of the Act of March 14, 1900, which, in the language of the late distinguished journalist Horace White, resulted in "monetary equilibrium."

What we mean by monetary equilibrium is a state of absolute confidence that every dollar in circulation, whether of paper or of metal, is the equivalent in the hands of the holder of 25.8 grains of standard gold. [White, *Political Science Quarterly*, Vol. XX, No. 1, March, 1905, "Monetary Equilibrium."]

That state of absolute confidence as to every dollar continued for 33 years. Well known is the dishonesty of this government which destroyed it, but it will be mentioned now. In 1933, we repudiated our promises to pay gold except such as were owned by or might be acquired by foreign Central Banks or governments. Not long afterwards we raised our price for gold from \$20.67 an ounce to \$35.00 per ounce, without protecting or attempting to protect all domestic holders of gold money or of contracts to pay gold.

Under an honest redeemability policy the people control their media of exchange, and that is the only just policy.

Our Profanity, More Extensive And More Harmful

As has been shown, from the early days of our present Federal Government through most of the years to date we have practiced profanity in the regulation of metallic coin. This misconduct has been costly. However, since 1933 the evil has been more extensive and more harmful than ever. And, in the light of current monetary proposals, we face even greater evils ahead.

Conclusion

Although given to the world 20 years ago, the following retains its importance. It is from *Capitalism the Creator*, by the late Carl Snyder. [McMillan, 1940, p. 13.]

Another orgy of so-called "prosperity," another wild outburst of speculation, aided and only possible through a huge expansion of bank credit, must eventually bring us to the brink of another cataclysm. And the repetition of such a cataclysm would go far toward unsettling human reason and open the doors to another wave of "social experimentation."

With Sellgren, Miller

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Leo L. Kahn is now with Sellgren, Miller & Co., 639 South Spring Street. He was previously with Wedbush & Company.

Two With Birr & Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Kenneth B. Bolton and Robert M. McCutchin, Jr., have become connected with Birr & Co., Inc., 155 Sansome Street, members of the Pacific Coast Stock Exchange.

Three With McDonnell

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — Donald H. Carlson, James C. Garland, and Gaylor S. Ziegler have become connected with McDonnell & Co. Inc., Tower Building.

State Securities Formed

WASHINGTON, D. C. — State Securities Corporation has been formed with offices at 209 Indiana Avenue, N. W., to engage in a securities business. Carl Hersh is President and Treasurer, and Murray F. Hersh, Vice-President. Carl Hersh was formerly with Bellamah, Neuhauser & Barrett.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

Since 1948, U. S. Customs Bureau officials have been under orders to screen communist propaganda coming into this country and intercept unwanted and unsolicited material. On March 17 of this year, the Kennedy Administration pulled the plug on the Customs dike, allowing Red propaganda mail to flow into the United States at a near flood-tide rate.

This mail is being delivered free of charge by the Post Office Department, adding to an already enormous postal deficit and, in effect, subsidizing Soviet propaganda efforts aimed at undermining our form of government.

The Administration has become sensitive to the outcry already raised over the influx of this propaganda and has dropped its customary veil of secrecy over the amount coming into the country. However, the Deputy Collector of Customs at the Port of New York said in June that the Red propaganda has been "really flooding the country" since the March 17 order.

A Republican bill has been introduced in the House to halt the circulation of Communist literature through the U. S. mails. But it won't see the light of day until the next session and then you can bet the "liberal" press will raise a howl against its passage.

The Administration has given as its reason for stopping the 13-year-old program—carried on during both the Truman and Eisenhower Administrations—that the inspection "had no intelligence value and interfered with efforts to improve East-West relations."

Such explanation is foolish. The program was never set up for intelligence purposes, but to intercept unwanted and unsolicited Red propaganda material.

A typical Communist propaganda booklet has reached members of Congress. It is an eight-page blatant appeal for support of the Russian and, therefore automatically, the East German position in regard to Berlin.

Customs officials say that 300,000 packages of Communist propaganda material cleared the Port of New Orleans in one recent year. Each such package contained 5 to 15 separate pamphlets, and most of it was destined for school and college youth groups. The officials

pointed out that New Orleans was one of the lesser of 40 U. S. ports at which such material enters the country. * * *

The Tax Foundation claims that the real cause of joblessness is that obsolete tax rules have burdened this country with more obsolete plants and equipment than any other nation.

America, the Foundation said, now has nearly \$100 billion in such equipment, "largely because of our outmoded Federal depreciation regulations and tax laws."

"For example," the Foundation explained, "a company needs to replace a machine to improve efficiency of a factory. The machine was bought 20 years ago for \$100,000. A new and better model today would cost \$250,000."

"The present depreciation regulations allow the company tax deductions to recover the cost of the old equipment as it wears out—but the same regulations provide no way to deduct, at the time of replacement, the increase cost of a new machine. This fact helps put the U. S. at the bottom of the depreciation totem pole among the eight leading industrial nations of the free world."

President Kennedy originally proposed to Congress an investment credit proposal which not even business firms it ostensibly was intended to help could buy. Representative John W. Byrnes of Wisconsin, ranking member of the House Ways and Means Committee, termed it a "nightmare of tax complications and tax discriminations." Along with the rest of the Administration's tax program, it failed in the Committee.

J. J. Berkson Co. Opens

Jack Jay Berkson & Co. has been formed with offices at 29 Broadway, New York City, to engage in a securities business. Jack J. Berkson is a Principal of the firm.

Walston Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Frank W. Biggs has been added to the staff of Walston & Co., Inc., 731 Wilshire Boulevard. He was formerly with Paine, Webber, Jackson & Curtis.

Saxton Names Barbier, Hobby

G. A. Saxton & Co., Inc., 52 Wall Street, New York City, have announced that Leslie Barbier and



Edward K. Hobby Leslie J. Barbier

Edward K. Hobby have been elected vice-presidents of the firm.

Form Jules Grossbard Co.

GREAT NECK, N. Y. — Jules Grossbard & Co., Inc. has been formed with offices at 23 Beverly Road to engage in a securities business. Officers are Jules Grossbard, President, and David B. Grossbard, Secretary. Jules Grossbard was formerly with F. W. Schwerin & Co.

Form B. B. George Secs.

E. B. George Securities, Ltd., has been formed with offices at 233 Broadway, New York City (c/o Rutenberg and Certilman) to engage in a securities business. Officers are George S. Schwartz, President, and Robert Breen, Secretary and Treasurer.

Form American Internat'l

LITTLE ROCK, Ark. — American International Investment Corp. has been formed with offices at University and Markham Streets to engage in a securities business. Bruce E. Constant is President and Treasurer.

With Bache & Co.

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, Minn. — John C. Mithun is now affiliated with Bache & Co., First National Soo Line Building. He was previously with York and Mavroulis.

Form Capital Consultants

Capital Consultants Corp. is engaging in a securities business from offices at 170 Broadway, New York City (c/o R. J. Meiselman). Martin Fabrikant is a Principal of the firm.

This announcement is neither an offer to sell nor a solicitation to buy any of these securities.
The offering is made only by the Prospectus.

NEW ISSUE

September 22, 1961

\$750,000

Industrial Electronic Hardware Corp.

Fifteen Year 6% Convertible Subordinated Debentures

Due September 1, 1976

To bear interest from September 1, 1961

Initially convertible into Common Stock at \$6.25 per share.
(Subject to adjustment under certain conditions.)

Price 100% and accrued interest

Copies of the Prospectus may be obtained only from such of the underwriters as may lawfully offer these securities in such State.

S. D. FULLER & CO.

Why Changes Are Needed In Federal Reserve System

Continued from page 7

Senate, and make their reports to the Congress.

Reserve Requirements

The present general form of fractional reserve requirements against demand deposits is adequate for the purpose of general monetary policy. However, the Commission recommends that the reserve requirements on demand deposits for all member banks be made the same and the classification of country banks and reserve city banks be eliminated. The central reserve city bank classification is to be abolished by mid-1962. The elimination of reserve differentials would provide better control over the money supply than is now possible. The Commission recommends that Congress continue to grant to the Federal Reserve Board a range of from 8% to 18% within which reserve requirements can be set for demand deposits. This would give to the Board sufficient flexibility to adjust the level of reserves to meet the needs that may develop.

It is recommended that existing statutory reserve requirements against savings and time deposits be repealed. These are now uniform for all member banks and provide a range of from 3 to 6%. These rates are significantly different from those required of competing thrift institutions.

Organization of Federal Reserve

The Commission recommends that the Federal Reserve Board be reduced to 5 members with overlapping 10 year terms, one expiring each odd-numbered year, members to be eligible for re-appointment. At present the Board consists of 7 members of 14 year terms and not eligible for re-

appointment. The reduction in membership should enhance the status of each member and the 10 year term combines a sufficient protection for independence. I should like to personally suggest either a compulsory retirement of Board members at the age of 70, or an ineligibility for re-appointment after age 65.

The occupational and the geographical qualifications for the Board members the Commission recommends be eliminated. Instead, the statute should stipulate that members be positively qualified by experience or education, competence and objectivity, commensurate with the increased responsibilities assumed in achieving the national objectives.

It is recommended that the Federal Reserve Board members be compensated at the highest salaries available to appointive officers in the Government.

It is recommended that the Federal Reserve Chairman and Vice-Chairman be designated by the President from the Board membership to serve for 4 year terms, co-terminous with the President's. I am sure this was the intention of Congress when it passed the Banking Act of 1935 that provided for the 4 year terms. The Chairman and the Vice-Chairman, if not re-appointed, could continue to serve out their terms as Board members. It is important that the Chairman of the Federal Reserve Board be acceptable to the President in order that an effective liaison can be maintained. The fact that he is appointed by the head of the administration in power greatly increases and enhances his influence when he sits as the Chairman of the Board along with other top presidential appointees on the co-ordinating committee.

The Federal Reserve Board Chairman should be chief executive officer of the Board, empowered to handle administrative matters. The law should be clarified to authorize the Board to delegate to the Board committees or the Board members individually, or to senior staff officers of the Board, any of its functions in the administration of its powers in regard to the supervision of the banking structure. Any actions so

delegated should be subject to review in the Board's discretion.

Federal Advisory Council

It is recommended that the present Federal Advisory Council be replaced by an advisory council of 12 members appointed by the Board from nominees presented by the Board of Directors of the Federal Reserve Banks. At least two nominees and not more than one of them from any single sector of the economy, should be presented by each bank. The Board should make its selection, one from each district, in such a manner as to secure a council broadly representative of all aspects of the American economy. Council members should serve for 3 year terms and should meet with the Federal Reserve Board at least twice a year.

The channels of outside advice to the Board need broadening and one obstacle to this is the present statutory position of the Federal Advisory Council, one member of which is appointed by each Federal Reserve Bank. Custom has confined the membership of the Council to commercial bankers.

Conference of Reserve Bank Presidents

An important internal source of advice should be further recognized and strengthened. The law should formally constitute 12 Reserve Bank presidents as a Conference of Federal Reserve Bank Presidents to meet at least four times a year with the Board, and oftener as the Board finds necessary. In establishing open market policy, discount rate, or reserve requirements, the Board should be required to consult with this Conference of Presidents.

Stock of Reserve Banks

It is recommended that the capital stock owned by the member banks be retired out of the surplus funds of the Reserve Banks which are adequate for that purpose. Instead of stock ownership, membership in the System should be evidenced by a non-earning certificate of a nominal amount, the same for each bank. This change will help meet the criticism that the Federal Reserve Banks are privately owned and operated for the benefit of the member banks, while at the same time preserving member bank representation on the Board's re-

gional Reserve Banks and branches.

Federal Reserve Reports

The Commission believes that the Federal Reserve Board should follow the general rule that the public should be kept informed with reasonable promptness and in reasonable detail. The reasons for its major policy decisions and actions in order to avoid misunderstanding and misinterpretation. The Commission recognizes that this is a delicate matter and that the timing and substance of such reports must be left up to the good judgment of the Board.

Strengthening the Federal Reserve and Commercial Banking System

The strength and influence of the Federal Reserve in our economic system is closely related to the strength of the commercial banking system through which it functions. This system has great need of modernization. It has steadily lost ground in relation to other financial institutions during the past 60 years, and especially during the last 10 years. In 1900 it represented 52.9% of the assets as compared with 39.5% in 1958, whereas the savings and loan institutions increased from 2.6% in 1900 to 9.1% in 1958. There is great need, in the interest of the economy as a whole, to strengthen both the Federal Reserve and the commercial banking system. To assist in accomplishing this, the Commission recommends:

(1) That all insured commercial banks be required to become members of the Federal Reserve System. There are about 6,600 of these banks which are not members. This legislation would be consistent with the Home Loan Bank legislation which requires all insured savings and loan companies to be members of the Home Loan Bank System.

(2) That all Federal bank supervisory agencies be unified by transferring to the Federal Reserve System the functions of the Controller of the Currency, as well as those of the Federal Deposit Insurance Corporation. This would greatly simplify and strengthen the examining, regulatory and supervisory functions of the three agencies. For a complete discussion of this subject and its merits I refer you to the 1938 annual report of the Federal Reserve Board.

(3) That the competitive relationship between the commercial banks and the thrift institutions be improved by providing for greater tax equality.

There are other recommended changes which would improve the entire banking system and which will be discussed by others.

Certain Reservations

In conclusion, I wish to place in the record my comments and reservations which have been made a part of the Commission's Report.

I feel the Commission has done as good a job as could be expected

DIVIDEND NOTICE

FEDERAL

FEDERAL PAPER BOARD CO., Inc.

Common & Preferred Dividends:
The Board of Directors of Federal Paper Board Company, Inc. has this day declared the following quarterly dividends:

50¢ per share on Common Stock.
28 3/4¢ per share on the 4.6% Cumulative Preferred Stock.

Common Stock dividends are payable October 15, 1961 to stockholders of record at the close of business October 2, 1961.

Dividends on the 4.6% Cumulative \$25 par value Preferred Stock are payable December 15, 1961 to stockholders of record November 29, 1961.

ROBERT A. WALLACE
Vice President and Secretary
September 20, 1961
Bogota, New Jersey

considering its size and the complexity of the objectives.

In general, I subscribe to the recommendations of the report. However, I have grave doubts that they will prove adequate to achieve the national economic goals which they seek, which are: an adequate rate of economic growth, low levels of unemployment, and reasonable price stability.

The special weakness of the report is that it fails to give adequate consideration and weight to the unstabilizing effects of the monopolistic power exercised by organized labor. It is unrealistic to gloss over the effects of its actions on prices, imports, exports, employment, rate of growth, and the deficiency in our international balance of payments.

Wages and fringe benefits of Union labor in this country are from two to five times that of other industrial countries. Thus, organized labor not only draws from the economy benefits in excess of increased productivity, but undermines our ability to compete in world as well as domestic markets.

Until the government recognizes the seriousness of this situation and passes legislation which adequately deals with it, as it has with business, there is, in my opinion, little chance of meeting the national economic goals.

I think the report is also weak in not dealing more realistically with our international balance of payments problem in the light of the phenomenal recovery and great increase in productivity of Western Europe and Japan.

I do not believe the United States can continue as the reserve currency country and world banker in the light of its present price structure. It should move as rapidly as possible to transfer this responsibility to an international monetary organization where currency values can be adjusted—upward or downward—over the longer period as the basic need is determined. Our alternatives are: greatly increased productivity and lower prices or tariffs, quotas, embargoes, exchange controls or the discontinuance of present foreign aid and defense policies.

*From a statement by Mr. Eccles before the Joint Economic Committee, Washington, D. C.

Terry Industries Common Offered

Greenfield & Co., Inc., 37 Wall St., New York City is offering publicly 1,732,937 common shares of Terry Industries, Inc., at \$2.25 per share. Of the total, 557,333 shares are being sold for the company and 1,175,604 for the account of certain stockholders. Proceeds will be used by the company for the repayment of debt and working capital.

The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. Its head office is located at 11-11 34th Ave., Long Island City, N. Y.

Form Inv. Associates

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Investors Associates, Inc. has been formed with offices at 4101 East Louisiana Avenue to engage in a securities business. Officers are Doyle H. Baird, President; Robert O. Schuelke, Vice-President; Stanford L. Hyman, Secretary; and Layne J. Denning, Treasurer.

With Hornblower & Weeks

(Special to THE FINANCIAL CHRONICLE)

DENVER Colo.—Robert L. Lockard has become connected with Hornblower & Weeks, 650 17th Street. He was previously with Dempsey-Tegeler & Co.



Southern California Edison Company

DIVIDENDS

The Board of Directors has authorized the payment of the following quarterly dividends:

COMMON STOCK
Dividend No. 207
65 cents per share;
PREFERENCE STOCK,
4.48% CONVERTIBLE SERIES
Dividend No. 58
28 cents per share;
PREFERENCE STOCK,
4.56% CONVERTIBLE SERIES
Dividend No. 54
28 1/2 cents per share.

The above dividends are payable October 31, 1961 to stockholders of record October 5. Checks will be mailed from the Company's office in Los Angeles, October 30.

P. C. HALE, Treasurer

September 21, 1961



THE FIRST REPUBLIC CORPORATION OF AMERICA

DIVIDEND NOTICE

The Board of Directors has voted to
INCREASE

the 4th, 5th, & 6th consecutive monthly dividends each to nine cents (9c) per share on the Class A Stock. Distributions will be made by the Franklin National Bank of Long Island on

October 20, 1961 to Shareholders of Record at close of business, September 30, 1961.

November 20, 1961 to Shareholders of Record at close of business, October 30, 1961.

December 20, 1961 to Shareholders of Record at close of business, November 30, 1961.

September 21, 1961

Ira Sands
Chairman of the Board

A publicly owned
REAL ESTATE
Company



375 Fifth Ave.
New York

THE MARKET . . . AND YOU

BY WALLACE STREETE

To chartwatchers downtown the figure 700 was a lot more important this week than the number three—standing for the "troika" the Soviets would like to have running the United Nations.

A cynical investor has grown so accustomed to global crisis, some of them starting right here in his own backyard at the General Assembly, that Russian threats and American counter-blasts often fail to move him.

But the 700 point on the Dow-Jones industrial average is still something he can cope with. This week the historic level was clearly violated by Monday's 9.71-point drop, the most severe since April 24 when the financial community became upset by one of our earlier crises, the abortive Cuban invasion.

This week, though, a tottering list just saw no reason for strength.

The conservative men of Wall Street, many of them harshly critical of the young President, refused to blame the severe sell-off on his Monday speech before the U. N. That would have been too easy an excuse, they admitted in all honesty.

"Anti-Trust Suit a Day"

Unhesitatingly, though, they did attack the alleged anti-business nature of his Administration. This idea of an "anti-trust suit a day" (somewhat exaggerated but a familiar battle cry along the Street these days) can take as much blame for the market weakness as the global tensions, say the professionals.

Certainly the powder-keg nature of world affairs is a lot more serious, historically, than the trustbusters' ways, but Wall Street is convinced that the lingering Berlin situation and other danger spots have been well discounted by the market.

The President's attempts to get steel producers to hold the line on prices as wages go up shortly have certainly not been discounted say the same observers.

Price Cuts on Aluminum

Complicating the picture—and certainly hurting this week's market opening—was the aluminum situation. This industry, sometimes competitive with steel, instead of talking about price hikes was started on a new round of

cuts. It had been emerging from the doldrums and Wall Street was growing interested.

Some metal market men were quick to point out that price shaving has been going on since early last year. Now the price of the basic metal (99.5% minimum-purity ingot) has been trimmed by 2 cents a pound to 24 cents.

Alcoa took the step Friday in following Aluminium, Ltd.'s lead of the day before. Others fell into line. Analysts noted that the slice is not so serious as it looks since most aluminum producers use a great portion of their primary output themselves. So far it does not appear that the reductions will carry over to semi-finished and finished mill products, where a substantial part of the companies' profits are made.

Earnings Cut Likely

On the basis of the 26-cent-a-pound price this means that earnings for many industry leaders might be trimmed from 5 to 10 cents a share on an annual basis. Of course, that is strictly mathematical hypothesis. The intangible is how much more of the market aluminum might grab with its lower price to the user.

This added just one more industry problem to a basketful the Street is worrying about. The General Motors walkout ended and Union negotiators moved on to Ford with a flush of victory evident behind their somber demeanor.

Auto stocks held up surprisingly well. This time though, the possibility of a strike at Ford looked even less likely than it had in the case of G.M. But Wall Street, once burned, wasn't taking any chances with optimistic predictions.

By contrast, the steels, though not strikebound or even strike-threatened, have been behaving rather weakly. The automakers will not suffer from any temporary union shutdowns but their big suppliers, the steel companies, need all the business they can get.

Weakness in some steel leaders' stocks came even as the industry announced production at the highest level in almost a year and a half.

Rails Look Better

Technicians were somewhat encouraged when that other bellwether industry, railroading, came

through nicely for several stock market sessions. Carloading conditions—the "fundamental" consideration here—are directly linked to automotive and steel-production conditions. But as investments these stocks have been so oversold that a rally of sorts was entirely expected.

Still it's becoming increasingly tougher to mount a strong, sustained rally nowadays. Whenever the list gives a hint of better things to come (as on Tuesday morning) pessimism somehow always seems to get into the act.

Even on the upside, volume scarcely improves. Professionals are thankful that in declining sessions the turnover never really becomes oppressive either.

Market Paradox

They are watching certain weak spots for clues as to when the market might start to turn up. For one thing the number of stocks hitting new highs for the year has been declining as compared to the number at new lows. How can this market be within a hairbreadth of its historic peak when more stocks are nearer their lows than their highs for the year?

This question is plaguing Wall Street and has in fact set off a new round of criticism of the popular market averages. One technician sat down and checked every stock traded a week ago Wednesday.

His statistical conclusion: Over half of them, 646 to be exact, were nearer their '61 low points than their highs. So much for the averages and their so-called records.

The only thing the averages are now good for, according to some downtown critics, is to get people interested in the market again as the indices approach "appealing" levels. On this present downswing the DJI's could easily drop to 675-685 and then, amidst much hullabaloo about "bargains," the investor would jump back into the market with some of that money he's been putting away in a Christmas Club.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Magnus & Co. Formed in N. Y. C.

Frederick S. Magnus, formerly President of Godfrey, Hamilton, Magnus & Co., Incorporated, announced the formation of Magnus & Co. Incorporated with offices at 20 Exchange Place, New York City, to act as underwriters and distributors of securities.

Now Godfrey, Hamilton, Taylor

The board of directors of the investment firm of Godfrey, Hamilton, Magnus & Co., Incorporated has announced a change in the firm's name to Godfrey, Hamilton, Taylor & Co. Incorporated. Headquarters of the organization will continue at 101 Park Avenue, New York City.

Nemrava Branch

DENVER, Colo.—Nemrava & Co. has opened a branch office at 215 Denargo Market under the management of Forrest W. Wilcox.

With Ball, Burge

(Special to THE FINANCIAL CHRONICLE)
MANSFIELD, Ohio—W. Herbert Rusk has become associated with Ball, Burge & Kraus, 40 West Third Street. He was formerly local representative for Hayden, Miller & Co.

IBA Receives 1962 Slate

WASHINGTON, D. C.—Curtis H. Bingham, President, Bingham, Walter & Hurry, Inc., Los Angeles, has been nominated for President of the Investment Bankers Association of America, announced George A. Newton, current President of the Association, and part-



Curtis H. Bingham



David J. Harris



Thomas M. Johnson



William T. Kemble



James H. Lemon



Walter H. Steel

ner, G. H. Walker & Co., St. Louis. The announcement was made following the Fall Meeting of the IBA Board of Governors, September 20-22, Santa Barbara Biltmore Hotel, Santa Barbara, Calif.

Named with Mr. Bingham were the following nominees for Vice-President:

David J. Harris, Bache & Co., Chicago.

Thomas M. Johnson, The Johnson, Lane, Space Corp., Savannah

William T. Kemble, Estabrook & Co., Boston.

James H. Lemon, Johnston, Lemon & Co., Washington.

Walter H. Steel, Drexel & Co., New York.

The Association will act on the slate at its Annual Convention, Nov. 26-Dec. 1, 1961, at the Hollywood Beach Hotel, Hollywood, Fla. Nomination is tantamount to election. The new President and the Vice-Presidents will be installed on Nov. 30.

This advertisement is not an offer to sell or a solicitation of an offer to buy these securities. No offering is made except by a Prospectus filed with the Department of Law of the State of New York. Such filing does not constitute approval of the issue or the sale thereof by the Department of Law or the Attorney General of the State of New York.

NEW ISSUE

September 26, 1961

INVESTORS FUNDING CORPORATION OF NEW YORK

\$1,250,000

7½% Registered Subordinated Debentures Due June 30, 1976
with Warrants Attached to Purchase 12,500 Shares of Class A Stock

25,000 Shares Class A Stock
(Par Value \$5)

Offered only in units consisting of (i) a Debenture in the principal amount of \$500, (ii) 10 shares of Class A Stock and (iii) a Warrant to purchase 5 shares of Class A Stock.

Price: \$650 per Unit

Copies of the Prospectus may be obtained only from such of the undersigned as may lawfully offer these securities in this State.

Eisele & King, Libaire, Stout & Co.

Albert Teller & Co., Inc.

H. A. Riecke & Co.

Coburn & Middlebrook
Incorporated

Edward A. Viner & Co., Inc.

Paul Eisenberg Co.

Joseph M. Batchelder Co., Inc.

Bravman & Company
Incorporated

Kuhner, Vollebregt & Gerald

A. L. Stamm & Co. Strathmore Securities, Inc. C. F. Cassell & Co., Inc.

This announcement is under no circumstances to be considered as an offer to sell or a solicitation of an offer to buy any of these securities. The offer is made only by the Prospectus which is available only in such States where these securities may be lawfully sold.

NEW ISSUE

September 21, 1961

100,000 SHARES

SECOND FINANCIAL, INC.

COMMON STOCK

(Par Value \$.10 Per Share)

PRICE \$3.00 PER SHARE

GLOBUS, INC.

Some Pertinent Questions Regarding Fallout Shelters

By Roger W. Babson

Mr. Babson criticizes the President and "Life" magazine for failing to distinguish between the H-bomb's explosive effect and resultant fallout in recently addressing themselves to the subject. Discussed are the costs of shelters and the preferability of building shelters in cities accommodating several hundred to individual family ones.

A featured article in *Life Magazine* for Sept. 15, 1961 makes some statements regarding "fall-out" which need careful checking and analysis.

What President Kennedy did Not Say

In the President's letter which preceded the article, the President said:

"The government is moving to improve the protection afforded you in your communities through civil defense. We have begun, and will be continuing throughout the next year and a half, a survey of all public buildings with fallout shelter potential, and the marking of those with adequate shelter for 50 persons or more. We are providing fallout shelter in new and in some existing Federal buildings. We are stocking these shelters with one week's food and medical supplies and two week's water supply for the shelter occupants."

Neither the President nor *Life Magazine* made clear the difference between the effect of the explosion of an H-Bomb and the resultant fallout. If an H-Bomb should strike a city, the blast would probably kill 97% of the people. No ordinary "fallout shelter" would be of any use. But the fallout which would drift from this explosion would also be deadly. However, if all the nation's people had proper shelters, 97% of the people not killed by the blast might survive the fallout drifts.

Cost of Fallout Shelters

Even 3% of those in shelters who might die from fright or from other causes in the course of two weeks amount to about 5,000,000 people. Hence, the scope of the entire project of shelters is stupendous. I have had a survey made of an average home shelter; the minimum cost quoted is \$1,850. This is for a shelter in a basement 100 miles from the center of a large city which might be bombed. As the distance becomes less than 150 miles, the price of the shelter increases. No shelter within five miles of

where the bomb hits would be of any use. At least 90% of those within this radius of five miles would be killed under any conditions—shelters or no shelters.

What do Inhabitants of Berlin Want?

We are constantly told what Mr. Khrushchev wants; also what President Kennedy wants; but we have never heard what the people of Berlin want, or do not want. Of course they want food, water, and heat. They feel that the West Germans will see that they get these. But they certainly do not want a "shooting war" between Russia and the Western Allies, with Berlin getting the worst of it all in the center of the fighting.

Therefore, as a practical matter, should one build a shelter here in the U. S. A. until it is learned that the well-to-do families in Berlin both West and East Berlin are building shelters? Another awkward question: How many people should such a shelter be built to accommodate for two weeks? Those living on farms and having no near neighbors can answer this question quickly; but in small cities or towns the answer is very difficult, where all are neighbors and friends of one another. It is one thing for a neighborhood or community to build a shelter which would accommodate several hundred; but to build for just one's own small family would, I should think, make one feel rather selfish.

Will There Be a Nuclear World War III?

All of the above boils down to the question of whether missiles with hydrogen bomb heads will be thrown at cities of the U. S. A. to cause their destruction? I don't believe they will be for many years to come. When I was in Berlin, Poland, and Russia two years ago, I was told by high Berlin officials that there must first be developed an accurate anti-missile missile.

There is none such now. Only bombs launched from airplanes or submarines have an accurate enough aim to destroy a large

city. Such a city must be relatively near the seacoast. We are building up the defenses of these cities as fast as possible so that we will be in a position to use "anti-missile missiles" when we have them in storage. Such defense missiles are what Russia is now testing and it is silly to talk about such tests underground either by Russia or by the U. S. A.

First Mortgage Investors Shares Offered

An underwriting group headed by Shearson, Hammill & Co., New York City is offering publicly 1,000,000 shares of Beneficial Interest of First Mortgage Investors at a price of \$15 per share.

First Mortgage Investors, it is believed, will be the first publicly held leveraged trust organized to invest exclusively in first mortgages and to qualify as a real estate investment trust under the recent amendments to the Internal Revenue Code. Under this legislation, applicable to taxable years beginning after Dec. 31, 1960, a qualified real estate investment trust pays no Federal corporate income tax if it distributes at least 90% of its taxable income to shareholders.

The primary objective of the Trust, located in Boston, Mass., will be to invest in first mortgages in an effort to produce a favorable rate of income. At the outset, approximately one-half of its investments will be mortgages either insured by the Federal Housing Administration or guaranteed by the Veterans' Administration. In both cases, principal and interest are protected by agencies of the U. S. Government. First Mortgage Investors will invest the other half of its capital in first mortgage loans for the development and construction of residential projects in accordance with the requirements of the FHA or the VA in diverse areas of the United States. These will be conventional loans not insured or guaranteed by FHA or VA. The Trustees may change the amounts invested in these types of first mortgages when it is in the interest of the shareholders to do so.

First Mortgage Investors, which has qualified as a lender approved by the FHA and intends to qualify as a lender approved by the VA, will acquire its mortgage investments primarily from or in participation with other lenders approved by the two agencies and from state and local national banks.

Forms Atlantic Secs.

GREAT NECK, N. Y.—Ann H. Silvers is engaging in a securities business from offices at 10 Terrace Drive under the firm name of Atlantic Securities Co. Miss Silvers was formerly with Nelson Securities Inc.

M. I. Brooks Inc. Opens

ST. PAUL, Minn.—M. I. Brooks Inc. has been formed with offices in the Pioneer Building, to engage in a securities business. Officers are Monroe I. Brooks, President and Secretary, and Melvin M. Shear, Vice-President and Treasurer.

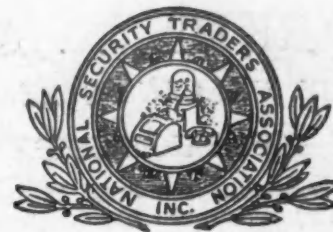
A. G. Edwards Branch

TOPEKA, Kans.—A. G. Edwards & Sons has opened a branch office in the Crosby Brothers Building under the management of John Bergert.

Edwards Opens Branch

PONCA CITY, Okla.—A. G. Edwards & Sons has opened a branch office in the First National Bldg. under the direction of Elwood P. Russell.

NSTA



NOTES

NATIONAL SECURITY TRADERS ASSOCIATION

The National Security Traders Association has announced the following program for the annual convention to be held Oct. 16-20 at the Riviera Hotel, Palm Springs, Calif:

MONDAY, OCTOBER 16—

11:00 a.m. Registration.
12:15 p.m. Welcome from STANY. Cocktails at the Pool.
6:30 p.m. President's Reception at the Pool.
7:15 p.m. Swimming and Diving Exhibition.
8:00 p.m. Dinner and Dancing.

TUESDAY, OCTOBER 17—

8:30 a.m. Past Officers' Breakfast.
10:00 a.m. National Committee Meeting.
1:00 p.m. Luncheon for Ladies and Gentlemen.
Speaker: Jack D. Wrather, Jr.
6:45 p.m. Cocktails at the Pool.
7:45 p.m. Luau Buffet Dinner. Entertainment and Dancing.
Sport Clothes.

WEDNESDAY, OCTOBER 18—

8:00 a.m. Day for Sports: Men's Golf Tournament at Bermuda Dunes Country Club. Tennis Tournament. Ladies' Golf Tournament at the Hotel 9-Hole Course.
12:45 p.m. Luncheon with Style Show at Pool for Ladies and Men.
3:00 p.m. Bridge and Canasta.
Evening Free.

THURSDAY, OCTOBER 19—

8:30 a.m. Breakfast for Officers and Presidents of Affiliates.
1:00 p.m. Luncheon for Ladies and Gentlemen.
Speaker: Arthur H. (Red) Motley.
7:00 p.m. Cocktails at the Pool.
8:00 p.m. Dinner and Dancing.

FRIDAY, OCTOBER 20—

10:00 a.m. National Committee Meeting Election of Officers.
7:00 p.m. Cocktails at the Pool.
8:30 p.m. Final Dinner. Dancing. Presentation of New Officers.
Special trains for the convention, and the special tour following, will leave on the following schedule:
(All time mentioned is Standard and Not Daylight Saving Time)

GOING

THURSDAY, OCTOBER 12—

5:00 p.m. Leave New York, Pennsylvania RR.
6:21 p.m. Leave North Philadelphia, Pennsylvania RR.

FRIDAY, OCTOBER 13—

8:00 a.m. Arrive Chicago, Pennsylvania RR.
11:00 a.m. Leave Chicago, Milwaukee Road.
8:00 p.m. Leave Omaha, Union Pacific RR.

SATURDAY, OCTOBER 14—

2:00 p.m. Arrive Salt Lake City, Union Pacific RR.
10:30 p.m. Leave Salt Lake City, Union Pacific RR.

SUNDAY, OCTOBER 15—

7:00 a.m. Arrive Las Vegas, Union Pacific RR.
(Train parked for occupancy)

MONDAY, OCTOBER 16—

3:15 a.m. Leave Las Vegas, Union Pacific RR.
9:00 a.m. Arrive Riverside, Union Pacific RR.
11:45 a.m. Arrive Palm Springs, Motor Coach.

RETURNING

SATURDAY, OCTOBER 21—

11:00 a.m. Leave Palm Springs, Motor Coach.
1:00 p.m. Arrive Los Angeles, Ambassador Hotel.

SUNDAY, OCTOBER 22—

12:30 p.m. Leave For Disneyland, Motor Coach.
Cocktails and Dinner, Disneyland Hotel.
10:00 p.m. Return to Los Angeles, Motor Coach.

MONDAY, OCTOBER 23—

11:30 p.m. Leave Los Angeles, Southern Pacific RR.

TUESDAY, OCTOBER 24—

8:00 a.m. Arrive Fresno, Calif., Southern Pacific RR.
9:00 a.m. Leave For Yosemite National Park, Ahwahnee Hotel.

WEDNESDAY, OCTOBER 25—

10:00 a.m. Leave Yosemite National Park.
12:45 p.m. Leave Merced, Calif., Southern Pacific RR.
3:45 p.m. Arrive Oakland, Southern Pacific RR.
4:30 p.m. Arrive San Francisco, Mark Hopkins Hotel.

THURSDAY, OCTOBER 26—

6:00 p.m. Cocktail Party.

FRIDAY, OCTOBER 27—

12:15 p.m. Leave Mark Hopkins Hotel by Coach.
1:00 p.m. Leave Oakland, Southern Pacific RR.

SATURDAY, OCTOBER 28—

6:50 a.m. Leave Ogden, Union Pacific RR.

SUNDAY, OCTOBER 29—

1:00 a.m. Leave Omaha, Milwaukee Road.
9:30 a.m. Arrive Chicago, Milwaukee Road.
5:00 p.m. Leave Chicago, Pennsylvania RR.

MONDAY, OCTOBER 30—

8:03 a.m. Arrive North Philadelphia, Pennsylvania RR.
9:30 a.m. Arrive New York, Pennsylvania RR.

Reservations and additional information may be obtained from Joseph C. Cabbie, Burns Bros. & Denton, Inc., New York City;

All of these shares having been sold, this advertisement appears as a matter of record only.

A New Issue

September 27, 1961

75,000 Shares

MOHAWK INSURANCE COMPANY

Class A Common Stock
(\$5.00 Par Value)

Price \$12.00 per share

MEADE & CO.

Casper A. Rogers, Casper Rogers & Co., New York City; James B. McFarland, Stroud & Company Incorporated, Philadelphia, or Edward H. Welch, Sincere and Company.

SECURITY TRADERS ASSOCIATION OF NEW YORK

The Nominating Committee of the Security Traders Association of New York will hold an open meeting at Oscar's Delmonico Restaurant, at 4:30 p.m., Oct. 4, to receive nominations for the following officers: President, First Vice-President, Second Vice-President, Secretary, Treasurer, Four Directors, Three National Committeemen, Five National Committeemen Alternates, and Four Nominating Committeemen.

Members of the Nominating Committee are Barney Nieman, Carl Marks & Co., Inc., Chairman; Walter Filkins, Troster, Singer & Co.; William McGovern, Blyth & Co., Inc.; John J. Meyers, Jr., John J. Meyers & Co.; John D. Ohlandt, Jr., New York Hanseatic Corporation; and E. Michael Growney, Gregory & Sons, alternate.

New Japanese Stock Exchange

Tsunao Okumura, Chairman of the Board, Nomura Securities Co. Ltd., Tokyo, in a cable to New York, viewed the forthcoming opening of Japan's second major stock exchange on Oct. 2 as a "seven-league step" in his country's economic growth. The Second Market, as the new exchange is presently called, "will be a boon to the myriad small and new Japanese companies, their shareholders and investors." The Second Market exchanges will open in Tokyo, Osaka and Nagoya.

Mr. Okumura, whose firm has been one of the more ardent supporters in the move for a new exchange, said smaller companies now will have a chance to grow faster and more substantially as capital is made more freely available to a listed company.

The Nomura official pointed out the Japanese Finance Ministry has worked painstakingly to blue-print rules and regulations for protection of the listed security, the shareholder and the investor on The Second Market, an offshoot of Japan's Over-the-Counter Market. Wild price fluctuation, as a result, will be offset by the stringent laws the Ministry has thus far mapped out, Mr. Okumura said.

About 365 companies will be listed on the Second Market after approval by both the Council and the Finance Ministry.

Mr. Okumura likened the new exchange to the American Stock Exchange where companies with more modest capitalizations are listed.

There are two methods of transaction on the Tokyo Stock Exchange: for cash or margin—Class I shares; for cash only—Class II shares. The Second Market will utilize the Class II for full cash method for its securities, and the minimum transaction lot will be 500 shares if the stock's par value is 50 yen.

Other stipulations for The Second Market membership include: company capitalization, minimum of 100-million yen; not less than 250 stockholders; company must be established at least two years; and for the past three fiscal periods (18 months) the company must have paid more than 10% in dividends.

Like the American market, Mr. Okumura said, interest in new companies and new issues has burgeoned in Japanese financial communities. He explained that the Over-the-Counter or Second Department of Trading in Tokyo, Osaka and Nagoya totaled 1,111,531,000 shares in June of this year, an increase of about 40% over a comparable period in 1960.

Nomura Securities Co., Ltd. maintains its headquarters in Tokyo, Japan. Over 120 branch offices are located in Japan, Honolulu and New York City.

David Camen Opens

David Camen is engaging in a securities business from offices at 697 W. End Ave., New York City

MITE Corp. Stock Sold

A group headed by Kidder, Peabody & Co. and Chas. W. Scranton & Co. is offering 325,000 capital shares of MITE Corp. at \$11.25 per share.

The firm, headquartered in New Haven, Conn., makes the Polaroid Land camera, miniaturized communications devices, sewing machine attachments and fractional horse power electric motors. The four items are each expected to contribute 25% of sales in fiscal 1961.

MITE was formed Feb. 2, 1961, as successor to Greist Manufacturing Co. and Teleprinter Corp. It has been the sole manufacturer of the Model 80 Polaroid camera since its introduction in 1953, and since August, 1961, has been sole manufacturer of the new J-33 Polaroid camera, a compact model using the Polaroid Land electric eye.

The firm plans to use \$1,000,000 of the proceeds for development, engineering and design of products—\$750,000 on miniaturized communications devices, \$215,000 on the Polaroid Land camera and \$125,000 on sewing machine attachments and electric motors. It will use \$2,200,000 to retire short-term debt, \$250,000 to retire indebtedness of Teleprinter and add the balance to working capital.

Puerto Rico Tel. Private Placement

Puerto Rico Telephone Co., a subsidiary of International Telephone & Telegraph Corp., announced that it has sold to a group of institutional investors, through Kuhn, Loeb & Co. Inc., New York City, \$12,500,000 principal amount of 5½% sinking fund debentures, series D, due Sept. 1, 1986 and 50,000 shares of 6¼% cumulative preferred stock, series B, par value \$100 per share.

Net proceeds from the sale together with proceeds of approximately \$8,400,000 from the recent sale through a rights offering of 120,000 shares of common stock, will be used in connection with the company's expansion and improvement program initiated in 1959, and to repay debt incurred for the purchase of materials and equipment. The program calls for expenditures for telephone plant and equipment of approximately \$100,000,000 during the five years ending 1963, of which approximately \$36,800,000 had been expended through the end of August.

Form Inv. Development

SILVER SPRING, Md.—Investors Development Co., Inc. has been formed with offices at 1111 Fidler Lane to conduct a securities business. Officers are Carl M. Freeman, President; Melvin H. Mandell, Vice-President; Julian Wasser, Secretary and Treasurer; and Virginia Brandenburg, Assistant Secretary.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The favorable forward refunding venture of the Treasury (nearly \$3,700,000,000 of the eligible \$7,600,000,000 of 2½s turned in for the longer maturing 3½s along with the new money raising operation of the Treasury, have been absorbed by the money and capital market pretty much as was expected. The near-term sector has been supplied with the needed obligations while the more distant area has more of the 3½% bonds outstanding, but the overall maturity of the Government debt was extended since a goodly amount of the 2½s of 1970 and 1971 were turned in for the longest Government bonds. These advance refunding ventures are considered to be the only way in which the Treasury will add to the supply of long Governments unless there is a change in the existing pattern of things.

The short-term issues continue to be well taken by those buyers who want only the most liquid obligations because these funds must be in securities which can be turned into cash on a moment's notice. It is indicated that more of the so-called "hot money" is now going into these issues.

Trek Toward Common Stocks

The upward surge of the equity market which carried prices of these securities to new all-time high levels has had an adverse effect on the market for all fixed income bearing obligations because the strong market for common stocks was taken to mean that hedges were being made against the forces of inflation. It has been pointed out consistently that there is no hedging in the purchase of bonds, other than by making commitments in those which have conversion features. In other words, one buys either common stocks or bonds convertible into common stock, not just straight income bearing issues

if one is to hedge against the boom and its inflationary forces.

Because of this heavy demand for equities, not only were bonds not bought by many institutions but also there were sales of fixed income bearing issues in order to get funds which were mainly put to work in common stock. In some instances this bond money was invested for temporary periods in short-term liquid Government issues such as bills or certificates.

Bond Prices to Stay at Present Levels

The bond market also went on to the defensive because corporations were pushing out offerings in a wholesale fashion in order to get the financing done before interest rates went up. The offerings of tax exempt obligations have not slowed down at all and the prospects are for a continuance of the heavy output after the November elections are over.

However, it seems as though corporate bond offerings will continue to be light, and the Federal Government, unless there is a radical change in plans, will not be using the long-term sector for either refunding or new money purposes. This most likely means that bond prices as a whole should remain pretty much in the area they are now, barring unforeseen developments.

In addition, the demand for common stock is likely to decrease, some economists contend, on the ground that the boom or superboom as some are trying to tag it will not materialize, and there will be a lessening of the inflation psychology. Therefore, they believe that the market for fixed income bearing obligations should not worsen and might even improve with the passage of time, since the supply of these securities should not increase very much aside from the tax sheltered issues. Also, it is believed that a setback in the common stock market would have a favorable

influence on the bond market since funds that would ordinarily be put to work in equities would be invested in bonds. In addition, an equity market that reflects better business conditions, and not inflation or the boom and bust psychology, should not be adverse to the market for fixed income bearing issues.

Bullish Thinking on Long Treasury Bonds

Some of the buying which has come into the most distant maturities of the Governments is being attributed to the belief that the Treasury bonds reached levels that made them attractive to selected investors in comparison to certain corporate and tax-exempt obligations. Also the fact that the floating supply of the most distant Government bonds is still fairly limited in spite of the advance refunding operation of the Treasury makes them susceptible to easy price movements in both directions.

However, the recent purchases of Government bonds, according to advices, appear to have been made by institutional investors who believe that the market action of the most distant Treasury obligations will not deteriorate very much if any because of the yields which are available in these obligations.

Analytic Secs. Opens

Analytic Securities, Inc. has been formed with offices at 40 Exchange Place, New York City, to engage in a securities business. Officers are Harry Kalajian, President and Treasurer, and Louis S. Siegel, Vice-President and Secretary. Mr. Kalajian was formerly with Emanuel, Deetjen & Co.

First United Inv. Branch

EAST WEYMOUTH, Mass.—First United Investors has opened a branch office at 901 Broad Street under the direction of Lloyd C. Dewar.

Now Costello, Russotto

LOS ANGELES, Calif.—The firm name of Haas, Lidster & Co., 3727 Wilshire Boulevard, has been changed to Costello, Russotto & Co.

This announcement is not an offer to sell or a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

September 27, 1961

145,000 Shares

Valve Corporation of America

Common Stock
(Par value \$.25 per Share)

Offering Price: \$7.00 per Share

Copies of the Prospectus may be obtained from the undersigned and from such dealers as may lawfully offer these securities in this State.

LOMASNEY, LOVING & CO.

LAIRD, BISSELL & MEEDS

VILAS & HICKEY

SCHRIJVER & CO.

KAMEN & COMPANY

EDWARDS & HANLEY

JONES, KREEGER & CO.

LEAVITT & CO.

WILLIS, KENNY & AYRES
Incorporated

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

First National City Bank, New York, on Sept. 25 opened its 11th branch in Puerto Rico in the San Juan suburb of Rio Piedras.

Paul K. Hutchinson is in charge of this new branch.

The Union Dime Savings Bank of New York has named Marvin R. Cross a trustee.

The Dime Savings Bank of Brooklyn, N. Y., will open on Sept. 29 a branch in Green Acres Shopping Center on Sunrise Highway near Valley Stream, L. I.

All services provided at the main office of the 102-year-old savings bank also will be available at the Green Acres branch.

George E. Maccaro, President of **Security National Bank of Long Island**, and Charles C. Saunders, President, **The Peconic Bank, Sag Harbor, L. I.**, announced on Sept. 22 that the Boards of Directors of both institutions have unanimously approved the consolidation of the two banks. The combined institutions will operate under the name and charter of Security National Bank of Long Island and the office of The Peconic Bank will function as a branch of Security National Bank.

Mr. Maccaro will continue as President of the merged institutions and Mr. Saunders will be designated as a Vice-President in charge of the Sag Harbor office.

The consolidation is subject to the approval of the Comptroller of the Currency, other regulatory authorities, and approval of the stockholders of both institutions.

Security National Bank at present has total assets of more than \$235,000,000 and The Peconic Bank has total assets of approximately \$3,500,000.

Five officers of **The County Trust Company, White Plains, N. Y.**, were promoted to Assistant Vice-Presidents by the Board of Directors and two members of the bank's staff were named Assistant Treasurers, John A. Kley, President, announced Sept. 18.

Advanced to Assistant Vice-Presidents were Kieran J. Duffy, Jr., William E. Eade, Anthony J.

Matranga, John F. Weidner and Frederic L. Vesperman.

The new Assistant Treasurers are Richard R. McCartney and Robert M. Duvall.

The First National Bank of Can-dor, Can-dor, New York, with common stock of \$50,000, was merged with and into **The Farmers & Merchants Bank of Spencer, N. Y.**, **Spencer, New York**, under the charter of The Farmers & Merchants Bank of Spencer, N. Y., and under the title **Tioga State Bank**, effective June 30, 1961.

Harry R. McIntosh died Sept. 18 at the age of 66.

Mr. McIntosh retired as Vice-President of the **Worcester County National Bank, Worcester, Mass.**, in October, 1958. He had been with the Bank for 41 years.

He was elected to the Board of Directors in 1944 and continued to serve after his retirement.

He started his banking career with the North Adams Trust Co. in 1913 and came to the Worcester Bank as a clerk in 1917.

Two years later he was made chief clerk, the following year Assistant to the President, and in 1929 was elected a Vice-President.

In 1934 Mr. McIntosh was named Vice-President and Treasurer. He gave up the position of Treasurer 22 years later, in 1956.

Officers of the **Monmouth County National Bank, Red Bank, N. J.** and the **First National Bank, Freehold, N. J.** on Sept. 21 announced plans for consolidation of the institutions. There will be a later meeting of stockholders to vote on the plan.

The directors of **National Bank of Ocean City, N. J.** and **Merchants National Bank of Cape May, N. J.** have agreed to a plan of merger. The proposal is subject to approval of stockholders and the U. S. Comptroller of the Currency. The Bank, will have the title of the **Cape May County National Bank**, and have assets of \$32,500,000.

The Board of Directors of the **First Pennsylvania Banking and Trust Company, Philadelphia, Pa.**

announced Sept. 25 its intention to increase the annual dividend rate at year-end from \$2.30 to \$2.40. At the same time, the Directors approved a two-for-one split in the Company's stock and voted to increase its capitalization by 394,975 shares.

The offering of the new shares, which will be on the basis of one new share for each 12 shares owned on a record date to be determined, is subject to the approval of First Pennsylvania's stockholders. A special meeting of the stockholders for the purpose of voting on these proposals will be held on Nov. 6.

The new shares, which—including the proposed split—will raise the total outstanding to 5,134,675, are expected to yield approximately \$12,000,000.

Stockholders of **First National Bank of New Kensington, Pa.** approved the acquisition of the Bank by the **Pittsburgh National Bank, Pittsburgh, Pa.**, to take effect Sept. 30. The plan calls for an exchange of 17 shares of Pittsburgh National for each share of the New Kensington Bank.

The proposed plan was given in the Sept. 21 issue of the *Chronicle*, page 1232.

Hubert J. Horan, Jr., Chairman of the Board, of the **Broad Street Trust Company, Philadelphia, Pa.**, announces that shareholders, have approved the increase of the authorized capital of the Company to \$4,599,195, divided into 919,839 shares of stock of the par value of \$5.00 each. This is subject to the approval by State Supervisory Authorities.

Directors have authorized a two-for-one split of the outstanding shares, changing their par value from \$10.00 to \$5.00, and issuing 69,370 new shares (par value \$5.00 each).

Warrants for the right to subscribe to new shares at \$32.50 per share (par value \$5.00 each) will be issued in the ratio of one new share for each 12 shares held of record Oct. 9. Warrants will expire on Oct. 30.

Directors have also authorized a 2% stock dividend to be distributed on Jan. 15, 1962 to shareholders of record Dec. 5, 1961.

On Sept. 4 the Comptroller approved the application of **National Bank and Trust Company of Kennett Square, Kennett Square, Pennsylvania** and **The National Bank and Trust Company of West Grove, West Grove, Pennsylvania**, to consolidate under the charter

and title of **National Bank and Trust Company of Kennett Square**. The effective date is to be as of the close of business Sept. 29.

The Mid-City National Bank of Chicago, Chicago, Ill., increased its common capital stock from \$1,500,000 to \$2,000,000 by a stock dividend effective Sept. 13. (Number of shares outstanding 20,000 shares, par value \$100.)

Stockholders of the **Valley National Bank of Long Island** and the **Osborne Trust Company of East Hampton, L. I.**, have approved the merger of the two institutions. The merger is subject to the approval of the Controller of the Currency. The resulting Bank would be known as the **Valley National Bank of Long Island**.

The consolidated Bank would have total resources of about \$70,000,000. Nelson C. Osborne Sr., President of Osborne Trust Company would be Chairman of the advisory board of directors of the Osborne office.

The common capital stock of the **American National Bank and Trust Company of Chattanooga, Chattanooga, Tenn.**, was increased from \$3,000,000 to \$3,500,000 by a stock dividend effective Sept. 15. (Number of shares outstanding 175,000 shares, par value \$20.)

Frank B. Houghton, has joined the staff of **Republic National Bank of Dallas, Texas** as landman in the oil division of Republic's Trust Department, it was announced Sept. 22 by James W. Aston, President of the Bank.

The following executive appointments at **The Bank of California, N. A., San Francisco, Calif.**, were announced Sept. 19 by Elliott McAllister, Chairman of the Board.

Fulmar J. Keaton, Manager of the Bank's Mills Office in Burlingame Plaza, was advanced to Assistant Vice-President and will assume new duties as the officer in charge of the Insurance Department at the Head Office.

Charles R. Boyle, Jr. succeeds Mr. Keaton as Mills Office Manager. He was appointed Assistant Cashier in October, 1960, and was advanced to Assistant Manager of Mills Office in December of that year.

George L. Lorimer has been named Manager of the new San Mateo office, which is now under construction at 4th & El Camino.

Walter D. Harrison, Vice-President Berkeley Office, succeeds Mr. Lorimer as Manager of the Sutter-Stockton Office on November 1st.

Richard D. Waschak was appointed Assistant Cashier of the Bank's new Menlo Park Office, opening on October 6th.

Vranken Inv. Corp.

SCHENECTADY, N. Y.—Vranken Investors Corporation has been formed with offices at 1683 Van Vranken Ave. to engage in a securities business. Officers are Edward E. Bell, President, and Carmen Bell Secretary-Treasurer.

Forms Walter Security Co.

Lucile Buckalter has formed Walter Security Co. with offices at 3530 Rochambeau Ave., New York City, to engage in a securities business. Miss Buckalter was formerly with Amber, Burstein & Co. and Stanley Heller & Co.

Western Securities Formed

FARGO, N. Dak.—Western Securities, Inc. has been formed with offices at 1517 First Ave., North, to engage in a securities business. Officers are Peter J. Schuck, President; Bertha Schuck, Secretary-Treasurer; and Phyllis Graff, Vice-President.

Ind. Electronic Hardware Corp. Deben. Offered

S. D. Fuller & Co., New York City, and associates are offering publicly \$750,000 Industrial Electronic Hardware Corp. 6% convertible subordinated debentures, due Sept. 1, 1976, at 100%, and accrued interest from Sept. 1, 1961.

Net proceeds will be used by the company for expansion of its connector business, for tooling up and production of its new radiation detecting dosimeter and the development of other products in the field of radiation devices. The balance will be used to finance the initial inventory and exclusive introduction and distribution in this country of a line of products of Brimar, Ltd., a British corporation.

The 1976 debentures will initially be convertible into common stock at \$6.25 per share. They will be redeemable at optional redemption prices ranging from 106% in 1962 to par, and for the sinking fund at a redemption price of par, plus accrued interest in each case. The common stock of the company is listed on the American Stock Exchange.

Located at 159 Prince St., New York City, the company and its subsidiary manufacture basic component parts, such as sockets, terminal strips, connectors and wired assemblies, for the electrical and electronic equipment industry in this country. These products are used in a wide range of finished products, including commercial and consumer radio and television equipment, ground and airborne communications equipment, computer and data-processing systems and electronic test equipment, among others.

Universal Moulded Fiber Glass Corp. Common Offered

A. G. Edwards & Sons, St. Louis, Mo., is manager of an underwriting group which is offering 275,000 common shares of Universal Moulded Fiber Glass Corp. at \$10 per share. The offering marks the initial public sale of the company's stock.

None of the proceeds from the sale of the common stock will accrue to the company, as the shares are already outstanding and are being sold for the account of Bristol Cabinet Corp. which, upon completion of the offering, will retain 133,045 shares, representing 13.51% of the company's outstanding common stock.

The company, with offices in Bristol, Va., is engaged in the manufacture of fiber glass reinforced plastic products. Its fiber glass reinforced plastic shapes have been used for radomes, radar antennas, aircraft and missile parts, truck, trailer parts, torpedo body sections, skylights, seed hoppers and boats. The company employs a number of conventional production processes including "hand layup," "vacuum bag," "autoclave," "matched die," and "filament winding." In addition, new processes and machinery, capable of continuous production of certain fiber glass reinforced plastic shapes, have been adopted by the company and are now in operation.

Ira Haupt Adds

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif. — Lawrence H. Hoerres, Bert B. Kopperl, Maurice A. Levy, Norman Mendleson, Arline Nelson and Lee L. Wertheimer, have joined the staff of Ira Haupt & Co., 242 North Canon Drive. All were formerly with Bache & Co.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE

100,000 Shares

COSMETIC CHEMICALS CORPORATION

COMMON STOCK

(Par Value: \$.01 per Share)

Offering Price: \$4.00 per Share

A copy of the Prospectus may be obtained from the undersigned only in states in which the undersigned is qualified as a dealer in securities and in which the Prospectus may be legally distributed.

NANCE-KIETH
Corporation

99 Wall Street

New York 5, N. Y.

Why 1960's Profits Are 75% Higher Than 1950's Identical Earnings

The above headline is not incorrect, according to a study by Keystone Custodian Funds. A full explanation in their current Business and Financial Outlook makes clear why 1960 earnings are really 75% better than those in 1950 — though they were \$22.8 billion in both years.

The text of the Keystone Custodian Funds' study on "How to Understand Earnings Reports" follows:

Back in 1950, the U. S. Department of Commerce estimated that the nation's corporations made \$22.8 billion in profits after taxes. In 1960, the Department's annual estimate showed exactly the same figure — \$22.8 billion — for corporate profits. In the intervening ten years, however, dividends rose and American business expanded tremendously, so how can these figures be right? Right they are, but they need a little explaining.

There are two ways to read an earnings report. One is to look just at the final figure to see how much profit is being listed. The other is to go considerably deeper into the report, revising the data for any changes made in the way profits are figured and checking the findings against the stockholder benefits—direct benefits like dividends and indirect like the amount of money invested in new plant and equipment.

Removal of Inventory Profits

The final profit figures for 1950 and 1960 are the same but what a change there has been in the accounting methods used in the computations. Three items in particular have contributed to the improvement in "quality" of reported earnings. [See chart below.]

(1) Earnings in 1950 included \$5 billion (20%) of paper profits from marked up inventory values occasioned by sharp post-Korea commodity price increases. These were not really profits but in the long run represented higher working capital needs when the company had to replenish its inventory. Management since has corrected this situation and now follows the more appropriate "Last In-First Out" method of inventory accounting. In the years since 1950, inventory profits have been held to a minimum, and in 1960 there were none at all.

(2) Alerted by the paper profits situation in inventory, management also realized that with costs rising, plant and equipment were badly underdepreciated in 1950, and to this extent corporate profits were overstated. Aided by revisions of the Internal Revenue Act of 1954, depreciation charges

have been raised nearer realistic levels.

Research Costs Made Deductible

(3) Outlays for research and development were made deductible as current expenses by the Internal Revenue Code of 1954. Today, corporation outlays for research and development (which are really an investment) are over \$8 billion compared to \$2 billion in 1950.

Without a knowledge of these three points, you would find some apparent inconsistencies in comparing corporate fortunes in 1950 and 1960. The reports show the final profit figures to be identical, yet plant and equipment outlays rose from \$16.9 billion to \$31.0 billion and dividends from \$9.2 billion to \$14.0 billion. That's a gross difference of \$18.9 billion in those two items. Part of the difference is accounted for by the increase of \$4.3 billion of long-term capital raised in the securities market, but there remains a net increase of \$14.6 billion in the amount spent by corporate boards of directors. In the light of the indicated stability of earnings, such expenditures seem out of character for normally conservative directors, but they are readily justified when the profit figures for 1950 and 1960 are examined in this new perspective.

Irrespective of those unrevealing figures at the end of earnings statements, corporations are more profitable today than they were a decade ago. It is not that profits are understated today. (Indeed they may still inadequately reflect the cost of new equipment.) It is rather that they were greatly overstated in 1950. If we adjust 1950 earnings to today's accounting, we find in a round number that a 75% improvement has taken place.

P. W. Brooks & Co. Names Two V.-Ps.

P. W. Brooks & Co., Incorporated, 120 Broadway, New York City, has announced that Edmund J. Blake, Jr. has been elected a Vice-President of the firm, John W. Hurley has joined the underwriting department and has also been elected a Vice-President.

Continued from page 13
had licensed 177 companies by Aug. 28, a number equal to those licensed in the previous two-and-a-half years since signing of the Small Business Investment Act of 1958.

I can report to you that as of Sept. 6 there were 360 licensed small business investment companies. In back of them were 161 potential licensees which have received a notice to proceed and we await only their completion of organizational requirements before they will be licensed.

Regulations Simplified

One other step has been accomplished—or perhaps I should say, half-accomplished. When I arrived on the scene our regulations were a hodge-podge of amendments upon amendments, so diffused it was difficult to find which regulation applied to what.

At my request, our legal staff recodified them completely according to purpose and function, along with re-titling for easier reference by proponents and licensees.

These will be simplified further as time progresses.

As a lawyer, as well as a banker, I may be accused by my legal friends of making things too easy for the lay businessmen. I'll risk that.

Today the regulations are so arranged that any proponents or existing licensees know exactly what the rules are under which they are operating and where to find them.

All new rules will be announced publicly as they are worked out.

They will be simple and clear and we will expect compliance with them.

As our procedures have speeded up, however, so has the interest across the Nation increased in forming new small business investment companies, with the result that on Sept. 6 we had under initial review, in Washington, 106 more proposals to form SBICs. They flow in at the rate of 15 each week.

Potentiality Seen by Banks

The ratio of bank-affiliated or bank-owned companies among those awaiting licensing and those under review differs little from the ratio of bank-affiliated companies already licensed. So it can be observed that the banking community across the Nation is fully aware of the potentialities this

program offers to supply equity financing—even though indirectly—to the small businesses of the Nation which are so badly in need of a source of long-term money.

All of this means but one thing, in my mind. Far from competing with banks in supplying long-term funds to small business, the Small Business Investment Company is a new—and I might add, parenthetically—relatively untapped well of private and public funds through which banks can broaden the financial base of small businesses, thereby making them eligible—and better risks—for short-term funds on straight loan basis through your institutions.

Indeed, it is to the credit of banks that they have had the foresight to see where they could perform a needed service to small business through the instrument of the SBIC.

It is more to their credit when I note that the investments in small business by bank-affiliated SBICs have not been restricted by convention-bound thinking.

A year ago, the ratio of straight loans by SBICs to investments made through debt securities carrying stock conversion privileges was 65 to 35.

Change from A Lending to an Equity Program

Today, spurred principally by bank-affiliated SBICs which have gone "public", this ratio is almost exactly reversed with debt securities carrying stock conversion privileges or direct equity investment constituting 65% of SBIC financing against 35% in loans.

This emphasis on equities demonstrates to me that the true aim of this program is now evident to the banking fraternity as well as others involved. It is an equity program, not just another lending program.

In turn, this emphasis has provided a new incentive to small business customers of the banks, and it has clearly demonstrated the sagacity of those in the banking community who saw so clearly the possibilities inherent in the program.

Let me add, too, that the participation of the banks in the SBIC program pays additional dividends in two respects. First, it can improve the general management tone in the field, and second, it may increase public confidence in the integrity of the companies and the program. We must face the

fact that no matter how carefully we screen, some "sharpshooters" in the lending field are going to find their way into the program.

To paraphrase a famous remark of a former great President—back when we listened to the radio instead of watching television, we want to keep the money changers out of the temple. And when I refer to money changers I don't mean bankers. I mean those who may have sneaked into this program with the intention of fleecing the small businessman rather than aiding him.

Urges Bank Participation

I want to urge the banking community to consider the program carefully. It is a program based firmly and squarely on the profit motive. It recognizes that this is the motive that builds buildings, moves mountains, and provides a better living for our people, so long as it is not allowed to go wildly out of control.

Yet it is more than this. It is a program which appeals to the patriotic instincts of those who recognize that the small businessman today is the lineal descendant of Jefferson's dream of a country peopled by independent yeomen. Here, in short, may be a chance to have a part in energizing American small business and, as stated so inspiringly by President Kennedy in his great Inaugural address, to do something more for your Country, rather than just asking what your Country can do for you.

*An address by Mr. Fine at Investment Advisory Meeting of New York State Bankers Association, New York City, September 22, 1961.

Joins Hemphill, Noyes

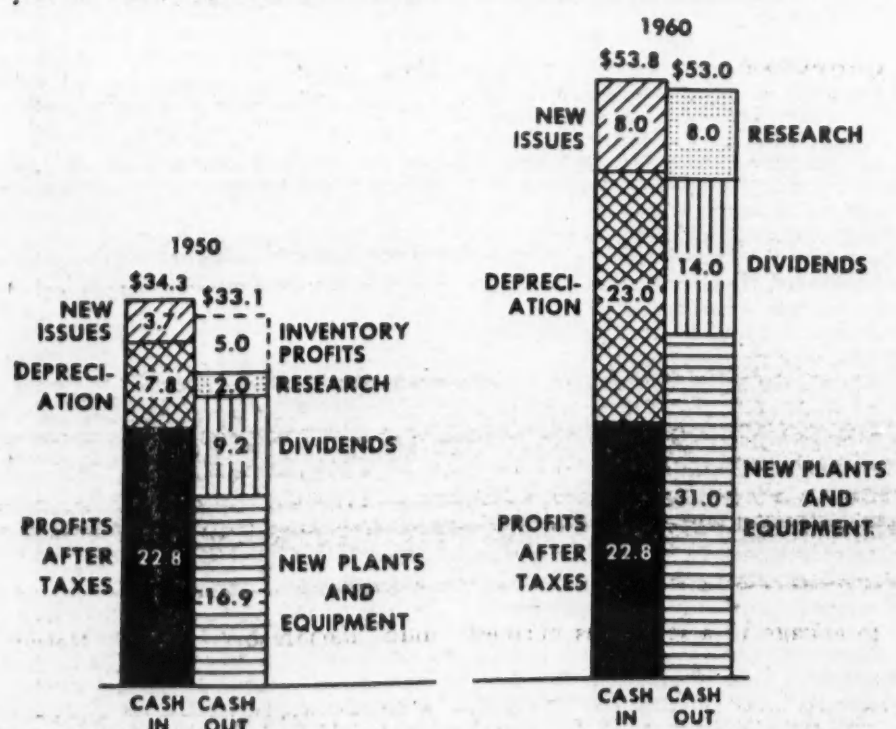
(Special to THE FINANCIAL CHRONICLE)
BEVERLY HILLS, Calif.—Leo M. Katz has become affiliated with Hemphill, Noyes & Co., 9478 Santa Monica Boulevard. He was formerly with Sutro & Co.

Raymond Moore Adds

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Daniel A. Rosati has been added to the staff of Raymond Moore & Co., 501 South Fairfax Avenue. He was formerly with Adams & Co. and Hayden, Stone & Co.

Forms White Security Co.

FOREST HILLS, N. Y.—Sally Weiss is conducting a securities business from offices at 108-18 Sixty-third Dr. under the firm name of White Security Co. Miss Weiss was formerly with Amber, Burstein & Co.



This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.

NEW ISSUE

September 22, 1961

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SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

"Monkey See — Monkey Do"

One of mankind's strongest instincts is the desire of people to imitate others. As children we learn the first rudiments of existence by imitating the actions of those around us. This compulsion is expressed in every phase of our experiences from politics to other forms of madness wherein millions of people play "follow the leader," knowing less and asking nothing. The investment business is not sacrosanct. A salesman today can go along with the crowd. He can follow the line of least resistance or he can do a little thinking of his own. It all depends upon the circumstances and sometimes the people he knows.

Joe and Al Were Pals

There was a triumvirate composed of three fellows who knew each other for a long while. One was a security salesman. The three would see one another regularly and they never discussed stocks. The salesman thought that his friends, Joe and Al, had their lifetime savings well invested in real estate and other business interests. He also (and erroneously) thought that if either of them wanted to buy any securities, they would

come to see him. After all, were they not very good friends?

But somewhere, about a year and a half ago, some security salesman who worked for a small house that was doing quite a bit of expansion into what is now known as public financing, got hold of Joe. He started him off with a couple of hot numbers that doubled almost overnight. Joe thought this was just fine. He didn't tell his friend the security salesman about his three buck speculations but he did start to crow a bit to Al when they would have their weekly "gin" game. Al, who had been sitting on the sidelines, couldn't stand the strain any longer and he finally capitulated. Joe turned to Al as he triumphantly called out "gin" and he said, "Al, I've got nearly \$100,000 of my money in the stuff this broker has been selling me and he has been right nearly every time. Almost every one of these 'new issues' go right to a premium. I've made over \$75,000 in profits and I am in solid with him. On every one of his deals, he allots me 500 to 1,000 shares. There is a real 'hot' one coming along in a few weeks and I think I can get some for you.

They say it will be offered at five. If you want me to speak with him I think I can get some for you." That did it, Al said O.K. and the order was placed. (My mistake, I should call it the "indication" was placed.)

Now Enters the Villain

But Al was a timid soul. Besides, he had worked pretty hard for his money and he knew he had another weakness. He liked the "easy buck" but he had played enough "gin," poker, bet on the horses and the ball-games to know that what came too easy always upended him eventually. He also had heard something about a prospectus and he asked his friend Joe if he could get one for him. Joe laughed and told him not to be so particular. But Al was not satisfied. He got hold of a "red herring" and he began to read about that "five dollar" number he had "er" "indicated" on and the more he read, the more he became suspicious.

It happened that Al knew his real estate and the company that was going public onto which he had latched his indication, was a real estate development outfit in his home town. So what does Al do? You are right—now he makes a visit to his old friend the security salesman who had never offered him one of these "fast buck" deals, or any other security. And does he do so before he gets his allotment? Right you are, he makes his visit after he's got it.

They looked the prospectus over together and how do you think they reasoned it out? Very simply. They asked each other a few questions. "Al," said old, slow and easy Mr. Conservative security salesman, "you know about real estate, what do you think of this outfit? Who are the people running this company? What did the stock cost the promoters before they gave the public their big opportunity at five bucks? How much is land worth in the location of their property? How about that engineering company that is somehow interwoven into the deal? How many houses are they going to have to construct to earn twenty-five cents a share after taxes? Can they build and sell those houses and make enough profit to do this?" There were other questions that they pondered together.

Finally Al turned to his old friend Mr. C and he said, "Sell the thing. If I were going into real estate I'd build some houses on that vacant land I've got south of town. I don't need to give these fellows my money to horse around with, building houses in an area that is so over-built now that you can't find people to put into them, even at nothing down and forty years to pay. Let Joe buy this kind of stuff. It may go up to fifteen for all I know but if this is the kind of securities he has been buying and making all that profit, then somebody is crazy, and I don't think I want to wait another couple of years to find out what kind of a padded cell they have reserved for me."

The stock was sold at 5½—it is now 1½. Joe says, "You can't win 'em all." Al doesn't mind his bragging because he knows he can beat him two out of three "gin" games anytime they play. And what about the third member of the triumvirate—the security salesman who doesn't do business with either of them? He's got customers he's had for twenty years or more and some for only a year or so—so he isn't worried, but after this experience, he is somewhat surprised. At last he discovered one Monkey who "saw" and didn't "do."

G. W. R. Andrade Opens

MONTAUK, N. Y.—George W. R. Andrade is engaging in a securities business from offices in the Security Building.

Outlook for Business and Interest Rates in 1962

Continued from page 1

a closer look at some recent developments, one of the key indicators is the index of industrial production, covering the output of factories, mines, and utilities. After declining about 7%—half as much as in the 1957-58 downturn—industrial production bottomed out in the early months of 1961. Over the past six months industrial production has risen by a sharp 10%. A new high was reached in July, and the gain continued into August, although at a somewhat reduced pace. Therefore, the recession loss in this index has been recovered, and the total output of factories, mines, and utilities is now at a new high level.

The improvement since the recession low point has been particularly marked in the heavy-industry sector of the economy, where the biggest losses had previously occurred. Recovery in steel and auto production was especially important in this development, but even more significantly the rise in industrial production over the last six months has been broadly-based, affecting nearly every industry line, in both durable and nondurable manufacturing. The general picture shown by recent trends in industrial production is one of a vigorous upward movement.

One particularly important clue as to coming events is the volume of sales and new orders among manufacturers of durable goods—the heavy industry part of our economy. Shipments by such manufacturers have been in a sharply rising trend since the January low point, having gained about 12% by July. Even more important, new orders have risen even faster than sales, showing a gain of about 16% since early 1961. As of July, new orders were at their highest level in two years, partly reflecting increases in defense contracts for the aircraft and electronic industries. With new orders having risen faster than sales, the backlog of unfilled orders has also gone up, indicating a solid base for continued advances in the manufacturing line. The available figures on new orders do not yet reflect the recent step-up in defense spending, which will tend to strengthen the upward trend already under way.

Key Factors in the Outlook

Let us turn next to the key factors in the business outlook—those that will largely determine the tone of general business and the pace of any future advances in economic activity. These key factors are the trends in business expenditures for inventories and new facilities, in consumer spending for autos, housing, and household equipment, and in Federal Government outlays. The segments of the economy just mentioned, while accounting for about only one-third of total economic activity, are the volatile parts of the economy that produce nearly all of the cyclical fluctuations in business activity. The key to the outlook, therefore, depends on the prospects in these areas. The behavior of these factors typically determines whether the tone of general business is strong or weak.

Business Inventories

A liquidation of business inventories was by far the most important factor in the recent recession. In the first quarter of this year inventories were being liquidated at a yearly rate of \$4 billion—that is to say, sales were being made "off the shelf," and consequently production was even lower than the reduced volume of business sales. Inventory liquidation came to an end in the spring, however, and during the second

quarter a shift to a build-up of business inventories accounted for nearly half of the marked increase in total output of goods and services. Thus, the turn-around in business inventories was the major factor in the initial recovery from the recession. A good part of the second quarter increase in inventories was at the retail level, especially a rising volume of automobile stocks.

What is the outlook for business inventories in the months ahead? A key question at this point is whether increased international tension, including the stepped-up pace of our defense program, will have a major effect on business inventory policies—specifically, whether any wave of precautionary buying is likely to occur. For the most part, a build-up of inventories in response to international tensions still remains a potential rather than an actual development. A recent survey of the National Association of Purchasing Agents delved into the question of when the next strong movement of inventories might occur—what forces might trigger accumulation. It appeared that the threat of work stoppages as well as the possibility of longer delivery times are the two strongest factors affecting inventories. Nearly three-fourths of the reporting firms indicated they would add to their inventories for either of those two reasons. Next in importance was anticipated price increases, with over 60% of the firms indicating this would be a cause of inventory accumulation. Significantly, when questioned about the worsening international situation, slightly more than half of the purchasing executives indicated they would not change their inventory policies.

In general, it was reported that slightly less than half of the purchasing executives planned to add to inventories over the next six months. This situation, however, could change rapidly. As business recovery progresses, an increase in lead times for delivery might be expected, along with a possible tendency for prices to rise. In short, any of the four factors that might trigger a larger rate of inventory accumulation could appear quite easily in the months ahead.

Some further increase in the rate of inventory accumulation from that prevailing in the second quarter of this year would be a normal development at this stage

NOTICE OF NAMES OF PERSONS appearing as owners of certain unclaimed property held by SWISS BANK CORPORATION, NEW YORK AGENCY, NEW YORK, N. Y.

The persons whose names and last known addresses are set forth below appear from the records of the above-named banking organization to be entitled to unclaimed property in amounts of twenty-five dollars or more.

AMOUNTS DUE ON DEPOSITS
General Import Company, c/o André Peroni, 5, rue de l'Ecluse, Paris 10, France
Agnes Grunbaum, Address unknown
Berthe Hanser, 230 Central Park West, New York, N. Y.
George Kingsley, London, England
D. J. Munoz R. Laborda, Hotel McAlpin, 300 W. 72nd St. Apt. 6B, New York, N. Y.
Francesco Angelotti Notarbartolo and/or Enrique O. de Angelis, c/o Sander, Misiones 1481 - Piso 2, Esqr. 13, Montevideo, Uruguay.
Maurice Verbeke, Consulat de Belgique, Izmir, Turkey
Mathew Wang, New York, N. Y.

A report of unclaimed property has been made to the State Comptroller pursuant to Section 301 of the Abandoned Property Law. A list of the names contained in such notice is on file and open to public inspection at the principal office of the bank, located at 15 Nassau Street, in the City of New York, N. Y., where such abandoned property is payable.

Such abandoned property will be paid on or before October 31st next to persons establishing to its satisfaction their right to receive the same.

In the succeeding November, and on or before the tenth day thereof, such unclaimed property will be paid to Arthur Levitt, the State Comptroller and it shall thereupon cease to be liable therefor.

NOTICE OF NAMES OF PERSONS APPEARING AS OWNERS OF CERTAIN UNCLAIMED PROPERTY HELD BY THE TRADE BANK AND TRUST COMPANY

PRINCIPAL OFFICE: 515 SEVENTH AVENUE, NEW YORK 18, N. Y. MEMBER FEDERAL DEPOSIT INSURANCE COMPANY

The persons whose names and last known addresses are set forth below appear from the records of the above-named banking organization to be entitled to unclaimed property in amounts of twenty-five dollars or more.

AMOUNTS DUE ON DEPOSITS

American Steamship Agents	Unknown
Bauer, Kate M.	510 East 36 St., New York, N. Y.
Belmont Sportswear Corp.	1370 Broadway, New York, N. Y.
Bensack, Lilly	237 East 5 Street, New York, N. Y.
Black, Ray	Unknown
Business & Professional Men's Association of Lower N. Y.	40 East 7 Street, New York, N. Y.
Cohan, Henry	16 East 52 Street, New York, N. Y.
Cohen, David M. Fur Co. Inc.	Unknown
Davis, Douglas	c/o H. H. Goldner—27 William Street, N. Y. C.
Davis, Madeline D.	c/o H. H. Goldner—27 William Street, N. Y. C.
De Filippi, Mrs. Virginia	146 East 4 Street, New York, N. Y.
Eckler, Sadie	34 Attorney St., New York, N. Y.
Estate of Brings, Emil, Brings, Estelle, Admin.	110 Wilson St., Brooklyn, N. Y.
Flanders, Dr. Oscar	Unknown
Francis, Rocco	159 West 94 Street, New York, N. Y.
Gerber, Lillian	4 West 67 Street, New York, N. Y.
Gordon, Ellen I/T/F Gordon, Leslie	1240 Park Avenue, New York, N. Y.
Graves, Eugene	437 Tenth Avenue, New York, N. Y.
Harrison, David	1833 Loring Place, New York, N. Y.
Harrison, Edith S.	1833 Loring Place, New York, N. Y.
Hong, Poem Bing	15 East 1 Street, New York, N. Y.
Horowitz, Caroline	Unknown
Horowitz, Mrs. Grace I/T/F Horowitz, Richard Andrew	34 Joseph Street, New Hyde Park, N. Y.
Isaacs, Pauline	2535 E. 24th St., Brooklyn, N. Y.
Katz, Hyman	Unknown
Kiss, Emil, Treasurer	Unknown
Kittner, Kitty	24 East 99 Street, New York, N. Y.
Knishneck, Jennie	111 - 2nd Avenue, New York, N. Y.
Levine, Ike I/T/F Seligson, Joseph	240 East 9 Street, New York, N. Y.
Miller, Harold	Unknown
Rose, Marie	345 - 3rd Street, Brooklyn, N. Y.
Rosenberg, Jack	Unknown
Rosenfeld, Nat	Unknown
Rosenthal, Helene J.	244 East 86 Street, New York, N. Y.
Rudich, G. I/T/F Rudich, Helen Sue	333 West 39 Street, New York, N. Y.
Select Art Novelties	1650 Broadway, New York, N. Y.
Sheer, George	Unknown
Shella Casuals, Inc.	367 West 36 Street, New York, N. Y.
Sokolosky, Leah	297 Kings Highway, Brooklyn, N. Y.
Unknown	Unknown
Waller, Matis	99 East 4th St., New York, N. Y.
Warner, George	356 - 3rd Avenue, New York, N. Y.
Woloch, William	Skillman, New Jersey

AMOUNTS HELD OR OWING FOR THE PAYMENT OF NEGOTIABLE INSTRUMENTS OR CERTIFIED CHECKS

Chatham Jewelers, Inc.	Unknown
Collector of Internal Revenue	Unknown
East Side Chateau, Inc.	105 East Houston Street, New York, N. Y.
Feinmore Fabrics Corp.	118 Eldridge St., New York, N. Y.
Kaplan and Shootin	333 Bowery, New York, N. Y.
Litman, Marcel	Unknown
Sheldon, Ben	225 West 34 Street, New York, N. Y.
Secretary of State	Unknown
State Tax Commission	Unknown
Top Hat Fashions, Inc.	Unknown
Yankee Ticket Manager	1385 Broadway, New York, N. Y.

A report of unclaimed property has been made to the State Comptroller pursuant to Section 301 of the Abandoned Property Law. A list of the names contained in such notice is on file and open to public inspection at the principal office of the bank, located at 515 Seventh Avenue, New York 18, N. Y., where such abandoned property is payable.

Such abandoned property will be paid on or before October 31st next to persons establishing to its satisfaction their right to receive the same.

In the succeeding November, and on or before the tenth day thereof, such unclaimed property will be paid to Arthur Levitt the State Comptroller and it shall thereupon cease to be liable therefor.

of the business cycle, and will probably occur for at least several quarters and perhaps into part of 1962. Barring a further deterioration in the international situation or a threat of a major work stoppage in a key industry, however, it is unlikely that inventory accumulation over the next year will reach the extreme rate experienced in the second quarter of 1959 or the first quarter of 1960. Generally speaking, the upward thrust to business activity provided by inventory accumulation in recent months cannot be expected to continue indefinitely. A further upward movement of business will have to depend on the emergence of stronger trends in the other key factors to be discussed presently.

Personal Income and Retail Sales

Before examining the prospects for consumer spending, especially on "big-ticket" items, a brief review of recent trends in personal income and retail sales would be helpful. Based on the strong recovery of production, personal income has shown considerable improvement since its low point of last February, having risen about 5%. Moreover, about seven-tenths of the gain has been in wages and salaries, thus providing a broad income base for a recovery of consumer spending. Personal income did not fall as much as retail sales during the recession, and is now well above its previous peak — nearly 4% higher. With personal income thus at new high levels and continuing to rise, what has been the response in the way of consumer outlays?

Except for a considerable improvement in auto sales during the spring, the rise in income in recent months has not yet generated a broadly-based increase in demand for consumer products. As of August, retail sales were up only 2% from the January low point and were still 4% below the level reached in the spring of 1960. Sales of nondurable goods stores have fully recovered from the recession losses, but the sales of autos and appliances haven't yet returned to previous levels. Thus we have the contrast of personal income being at new high levels but sales still lagging below previous volume. The rate of consumer savings has been unusually high recently, including a portion of income used to make net reductions in outstanding consumer installment credit. For the first seven months of this year as a whole, the decline in installment credit, after seasonal allowances, has amounted to a yearly rate of about \$600 million.

While retail sales typically lag behind turning points in the economy, it would appear that recent level of consumer spending for goods has been relatively low in relation to income. A part of this can be explained by the high proportion of consumer spending going for various intangible services, as opposed to goods. But this does not explain the whole thing.

To many observers it appears that in view of the recent high savings rate, including the reduction that has taken place in consumer debt, and in view of the substantial rise that is occurring in personal income, the stage has been set for another upsurge in consumer spending on goods, or at least for an increase commensurate with the gains that have occurred in personal income. Some clues as to future developments can be obtained by considering the results of recent surveys of consumer attitudes and purchasing intentions.

Consumer Buying Plans

By July, consumer expectations about income and job prospects over the balance of the year were more optimistic than in either of the preceding two summers. Since spring there has been a substan-

tial improvement in consumer expectations about local business and employment conditions. As of July, the percentage of consumers reporting plans to buy new or used cars within the next six months was a little larger than in the same month of 1960 or 1959. Thus there is some reason for thinking that sales of automobiles will continue to improve. On the other hand, however, the July "readings" of consumer buying intentions had not yet shown any pick-up, as compared to year-earlier levels, in intentions to purchase houses and household appliances. Vacation plans seem to have shown the greatest improvement as a result of the pick-up in consumer confidence.

It should be noted however, that the latest available information on consumer attitudes and buying plans does not cover the period subsequent to late July, when the President delivered his message on the Berlin crisis. Further information on consumer attitudes that will be available in November will throw more light on the possible reactions of consumers to international developments. We do know that retail sales in August continued to be relatively sluggish. In the absence of specific information to the contrary, therefore, any possible surge in consumer buying of hard goods for precautionary reasons remains a potential rather than an actual development.

Outlook for Autos and Household Furnishings

Over the next several years, the potential for the consumer durable goods markets should swing to the favorable side. The rate of household formation, which slowed down in the late 1950's, will probably start rising by next year. In addition the average age of consumer holdings of autos, household appliances, and homes has increased for the last five or six years. Thus existing holdings of durables need to be modernized, and at the same time we can anticipate a continued rise in replacement demand. These factors, taken together, add up to a potential growth in the durable goods market which compares favorably with earlier years.

Whether a strong upsurge in consumer spending for hard goods in fact develops in 1962 will be one of the most important keys to the pace of general business. An upturn in consumer spending on hard goods and housing that was in line with income trends, with consumer optimism, and with the long-run trend for spending on durables could be very important in generating a strong surge of business capital spending, along with some increase in inventory levels. The first beginnings of this renewed growth trend in consumer spending on durables might well take place during 1962.

A relatively good auto year in 1960 was followed by a relapse this year. In 1960, domestic sales of U. S.-produced cars amounted to nearly 6.2 million units. Through August of this year, unit sales for 1961 were under 3.6 million, or about 14% behind the pace of the previous year. Assuming a good public reception of the new 1962 models about to be introduced, and no more than a minor work stoppage in the industry, domestic sales for 1961 may total close to 5.5 million units. As a tentative estimate for 1962, there is a good prospect that the 1960 volume of 6.2 million domestic sales of U. S. cars will be exceeded, but little prospect of reaching the 1955 record of 7.4 million units.

The volume of consumer spending on household appliances and furnishings is now on the rise again, after a sustained decline. Following a peak in the fourth quarter of 1959, such spending

declined for five consecutive quarters (after seasonal allowances), and by the first quarter of this year was 8% below the previous peak. The second quarter of this year witnessed a small increase, however. Under the stimulus of rising income and employment, along with a recovery in housing starts, the trend of consumer spending on household equipment is likely to continue moderately upward in 1962.

Residential Housing

Despite a shift from credit restraint toward credit ease that began late in the first quarter of 1960, housing starts continued to decline through the end of the year. There is usually a delayed response in housing construction to easier credit conditions, stemming from the time required for general monetary ease to affect the cost and availability of mortgage money, and the time required for builders and buyers to adjust to more attractive credit terms. Earlier in the postwar period, an upward movement of housing starts occurred within two quarters following a move toward easier money. The much longer time required recently, in which housing starts did not begin to rise until early 1961, is a part of the evidence suggesting that the long postwar housing shortage is now over and that it is no longer possible to induce a large-scale increase in home building simply by creating easy money conditions.

Last year, private nonfarm housing starts totaled 1,230,000 units, down sharply from the level of nearly 1.5 million units in 1959. The year-end rate of housing starts in 1960, however, had dipped to under 1 million units. A sustained rise has occurred thus far in 1961, showing an annual rate of 1,300,000 units by the summer months. This rate of recovery, while substantial, has been much less vigorous than that of comparable periods of easy money conditions in the postwar era.

For 1961 as a whole, private nonfarm housing starts are not likely to total much above 1,250,000 units, or about 2% gain over the reduced level of 1960. For 1962 as a whole, the percentage gain in new housing starts will probably not be much larger than that of 1961. The ample supply of new and existing houses for sale in almost all areas of the country, along with the rather high vacancy rate among rental units, and the fact that

consumer buying plans for houses have not shown any particular strength, all suggest that residential housing will not provide much stimulus to business activity over the next year.

One strong part of the overall residential building market, however, is in the area of apartment buildings. Contracts for future construction of apartments were particularly strong during the first half of this year. The increases in apartment contracts have occurred in nearly all sections of the country despite the widespread rise in rental vacancy rates. The nature of the housing market has obviously changed substantially. The changing age structure of the population has had a lot to do with this, especially the increase in the proportion of young families whose initial needs are more likely to be for apartments than for houses.

Two of the important sources of housing demand this year have been families attempting to upgrade their housing accommodations, along with families relocating in new areas of the country. The next important upsurge in housing construction may not occur until about 1965, under the influence of a considerable rise in the rate of family formation.

Federal Government Spending

Let us consider next one of the biggest imponderables in the business outlook — namely, the future volume of Federal spending, especially for military purposes. Even prior to the Berlin crisis, the various increases in spending authority requested by the new Administration for the current fiscal year would have put Federal spending about \$9 billion higher than estimated in the budget for fiscal 1962, as submitted by President Eisenhower last January. Following the President's message on the Berlin crisis on July 25, emergency increases in defense spending of about \$3.5 billion were requested and approved. Part of this increase will be spent in the 12 months ended next June, and the rest of it will spill over into fiscal year 1963.

Following a slight year-long decline, defense spending had already started to rise by the closing months of last year and by the second quarter of 1961 was running at a rate over \$3 billion higher than the year-ago level. Enlarged defense spending as a result of Berlin will be piled on top of this increased amount. Any

further worsening of the international situation could obviously trigger off even larger increases for military preparedness.

Thus far the Administration has given no tangible signs that the greatly enlarged spending proposals for domestic-civilian programs, which had accounted for about two-thirds of the proposed spending increases by mid-year, will be scaled down in light of larger military requirements. Thus, not only is Federal spending rising rapidly, and with a definite possibility of going even higher as a result of the somber international situation, but this greatly enlarged volume of outlays will have to be financed with a substantial cash deficit. The size of the cash deficit in the fiscal year 1962 is now officially estimated at about \$6 billion. Unofficial estimates place it even higher — perhaps as large as a \$10 billion deficit.

The accelerated pace of Federal spending, both for welfare and military purposes, is going to be superimposed on a business recovery which was already rather vigorous. The increased demand for goods and services by the Federal Government, financed in large part by deficits, will undoubtedly give some short-run stimulus to business activity. This development poses a number of serious questions, however. First, there is the unhealthy trend involved in continuous growth of Federal Government outlays at a rate faster than the economy as a whole is growing, and secondly, there is a possibility that the large deficit being incurred to finance Federal spending may generate widespread inflationary expectations and create an unsustainable boom condition from which the economy will later suffer.

Business Capital Expenditures

The volume of plant and equipment outlays by business constitutes another key area in the economic outlook. After dropping about 7% from peak to trough, business capital expenditures bottomed out in the second quarter of this year and are now on the rise again. The latest survey of business spending plans, which was conducted in late July and August, indicates that fourth quarter outlays will be up about 7% from the low point reached in the second quarter. The fourth quarter rate is anticipated at \$35.9 billion, about 1% lower than the prerecession peak. Up to this point, therefore, there has been

Continued on page 24

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NEW ISSUE

September 27, 1961

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Outlook for Business and Interest Rates in 1962

Continued from page 23

only a modest increase in business capital spending.

Little shift has apparently occurred in recent months with respect to business anticipations. Capital outlays in the fourth quarter will be a little higher than anticipated three months ago, but this stems entirely from increases by non-rail transportation firms and by commercial firms. Expenditures by manufacturing and mining firms are apparently going to be slightly lower in the months ahead than was anticipated three months ago. Among manufacturing firms, while modernization and cost-cutting types of capital expenditures continue in large volume, there is unlikely to be a really strong upsurge in capital outlays of the capacity-building type until operating rates in key industries rise substantially above recent levels.

Capital appropriations of manufacturing firms were down slightly in the second quarter of this year from first quarter levels, even though there was some revival in the capital appropriations of durable goods manufacturing firms, especially autos. But in total, the capital appropriations backlogs of manufacturing firms had been declining by five quarters as of mid-year.

One of the factors inhibiting a near-term boom in capital expenditures is the existence of a substantial though declining margin of unused capacity among producers of major industrial materials. Among firms producing metals, textiles, petroleum products, coke, various industrial chemicals, cement, wood pulp, paper and paperboard, the average operating rate had dropped to about 68% at the end of last year. The strong recovery in industrial production since that time resulted in the average operating rate in the industries just mentioned reaching to about 80% as of July.

While even further improvement is in prospect, current operating rates still show some margin of excess capacity in key industries, and for this reason there is unlikely to be a really strong upsurge in business expenditures for plant and equipment until operating rates reach close to 90%. This suggests that even if a capital-spending boom is shaping up, it will be a considerable number of months before it gets under way. For 1962 as a whole, I am not looking for any major gain in the volume of plant and equipment expenditures over the 1961 total. The gain is more likely to resemble the 9.5% increase of 1960, rather than the 22% upsurge of 1956. Within 1962, however, the rate of increase in capital expenditures will likely be higher in the latter half of the year than in the earlier part.

The rise in construction of industrial plants next year will probably be concentrated in the chemical processing and public utilities industries, but at the same time, expansion is anticipated in steel, food processing, aircraft, electronics, and other defense related industries.

The stimulus given to business advance by inventory accumulation can last only so long—even with the impetus of expanding defense outlays. Until or unless a strong capital spending trend begins in the economy, we are unlikely to see the return of "boom" conditions. For at least six months ahead, the appearance of such a trend in capital spending does not appear to be likely. While capital outlays will be up, available evidence at present suggests that the

gain will be moderate prior to about the middle of next year.

The Growth Sectors

To varying degrees, the key sectors in the economy that largely determine the pace of business all show upturns in prospect for the year ahead. This will reinforce the natural growth of the economy coming from various types of expenditures which typically grow year after year, showing little if any sensitivity to business downturns. These so-called growth sectors include state and local government spending, consumer spending for nondurable goods, and consumer spending for services. In total, the three growth sectors account for about two-thirds of our total output of goods and services. In recent years they have shown relatively steady advances, even in the face of cyclical downturns. Over the last four years, for example, the average gain in yearly outlays of these three types of expenditures has amounted to about \$16 billion. While the pace of state and local government spending slowed down a little bit recently, it won't be long until the recession-inspired public works programs started earlier this year begin to lift the volume of state and local construction outlays to new highs. Much of this activity will carry over into 1962.

The rise in consumer expenditure for services has been very strong, even during the recession. Over the last four years the average yearly growth in consumer outlays for services has been over 8% per year. In fact, the rising proportion of total consumer spending going into the services area probably accounts for some of the recent softness in retail sales of goods. The amount of spending by consumers for nondurable goods does no worse than slow down a bit in the early stages of a recession and then continues to grow slowly even while business is slack. In annual totals, however, there have been no declines in consumer spending for nondurable goods even during recession years.

The outlook for the so-called growth sectors of the economy is a continued gain in 1962 probably amounting to about \$18-19 billion. This prospective trend will reinforce the upward movement expected in the key or volatile sectors of the economy discussed earlier.

Summary and Conclusions on Business Outlook

By the second quarter of this year, the total output of goods and services—as measured by Gross National Product—had risen about 3% from the recession-low point of the first quarter, to a \$516 billion yearly rate. For 1961 as a whole, Gross National Product will show a gain of about 3% over last year, to a level of around \$520 billion.

Looking forward to 1962, the economy is clearly headed for new highs. The forces now at work will probably generate sufficient momentum to produce a continued rise in business activity throughout the year. If I am correct in my expectations concerning the key factors in the outlook, Federal Government outlays will show a strong rise, consumer spending on autos and household equipment will continue to gain in strength, residential construction will show only minor gains, the present modest increases in business capital expenditures will gradually accelerate, and the rate of inventory accumulation will continue to rise in the early part of the year before levelling off. In addition,

continued upward trends are clearly in prospect for those types of expenditures which show little cyclical fluctuation—namely, consumer spending for nondurable goods and services, and state and local government outlays.

In the first full calendar year following the trough of the first three postwar recessions, the increase in total output of goods and services ranged between 8.6% for 1959 and 10.3% for 1950. As to order to magnitude, the gain which will occur in 1962 is more likely to fall within rather than outside of the above range. As a tentative estimate, the rising trends noted earlier might produce about a 9% increase in the Gross National Product in 1962, to a level of around \$565 billion—assuming no "shooting war," further additions to defense spending, or major work stoppages in key industries. This would imply an increase in the index of industrial production for the year as a whole of about 10%, to a level of around 120 (based on 1957=100).

There is nothing foreordained as to the probable duration of the period of business expansion now underway. The history of business cycles clearly shows that each cycle is largely a unique one, and that periods of expansion and contraction can vary considerably in length.

The conditions that will determine the length of the present upswing can be greatly influenced by decisions yet to be made by consumers and by policy-makers in business, labor, and government. The termination of actions tending to produce cost-push inflation, the development of a climate in which business would be encouraged rather than harassed, and the undertaking of badly-needed tax reform stand out as especially important among the various approaches which could prolong prosperity.

Over a span of many decades, the median length of periods of business expansion in the United States has been about two years—which was also the length of the most recent business upswing, 1958-60. But there are numerous precedents for expansion periods lasting three years or longer, including two postwar episodes, based on the range of historical experience, a minimum of two years of business upswing, dating from the cyclical low point in February of this year, seems to be a reasonable expectation. Whether or not the expansion phase lasts longer than that depends in large part on the appropriateness of the whole complex of future policies to promote sustainable economic growth without inflation.

Implication for Bank Credit and Interest Rates

The outlook for business as just described has some important implications for prospective trends in bank credit and interest rates. Since the end of last year, bank loans have shown only a moderate net gain, after allowing for the run-off of loans in the early months of the year. As of August, loans at all commercial banks were up by only about \$500 million from the end of 1960. On the other hand, holdings of securities were up by 10 times as much, particularly U. S. Government securities.

In terms of business loans at larger banks, no marked response to business recovery has yet been observed, principally because of the record volume of corporate financing in the spring, which enabled many firms to fund their debt at relatively favorable rates of interest. As business recovery progresses, particularly under the stimulus of rising capital expenditures and mounting inventories, a gradual pick-up in demand for business loans seems most likely to occur and may already be underway. In addition, the stage has

been set for a revival of consumer borrowing, following the recent net liquidation of consumer credit. Thus demands for installment loans seem likely to rise in the year ahead. Furthermore, with housing starts now in a moderate rising trend, the demand for residential mortgage loans is picking up, and this may be expected to continue for a number of months ahead.

A key question, therefore, is how long the Federal Reserve may pursue a policy of monetary ease. Up to this point the banking system has been liberally provided with new reserves, and the free reserve position of all member banks has remained in the \$500-\$600 million range. As one measure of the degree of credit ease, this level of free reserves indicates that there has been no move away from a policy of monetary ease up to this time.

We now appear to be moving into a phase of the business cycle in which there will be an increasing danger of "over-staying" the policy of monetary ease. The Federal Reserve authorities will probably be giving increasing attention to evidence of any build-up of inflationary expectations, and particularly in view of the volatile international situation, to any signs that the vigorous recovery movement could turn into an unsustainable boom. Moreover, it will be especially important in the year ahead to avoid any action that will adversely affect our international payments position. These considerations might lead to a gradual retreat away from monetary ease, once the major Treasury financing operations now underway are completed in October.

On the other hand, there is still the difficult problem of unemployment. While total employment has increased slightly since year-end, the labor force has risen even faster. Hence there has been no real improvement in the unemployment situation. The unemployment rate, after allowing for seasonal factors, has hovered close to the 7% level all of this year to date. Given the announced goal of the present Administration of bringing the unemployment rate down to 4%, the question therefore arises as to what pressures there may be to maintain relatively easy money conditions until the unemployment rate reaches this predetermined level. The most probable outcome is that, until the number of job opportunities begins to keep pace with the relatively more rapid rise now occurring in the labor force, vigorous credit restraint will not be applied, except in so far as strong inflationary developments might appear.

As the prospective rise in business activity generates a further rise in private credit demands in the months ahead, as the full effects of the enormous Federal deficit begin to be felt in credit markets, and as the savings rate begins to diminish as consumers spend a larger proportion of their income, it seems probable that total credit demands will begin to outstrip the available supply of savings. Unless the Federal Reserve System is willing to permit the fulfillment of all credit demands through a substantial rise in the money supply, which would carry with it a potential build-up of inflationary pressures if undertaken at too rapid a pace, then upward pressure of supply against demand would tend to bring about additional increases in interest rates. Specifically, the time may not be far off when the banking system will find itself in the position of having to liquidate some of its security holdings in order to meet loan demands. This is almost certain to happen before 1962 has come to an end.

The first overt signs of a transition from monetary ease toward monetary restraint will most likely appear in a reduced level of free reserves for member

banks. At a later point, this would be followed by the emergence of a net borrowed reserve position for the banking system. A confirming signal of a move away from monetary ease toward restraint would be an increase in the Federal Reserve discount rate. The first of these developments could occur even before the end of 1961. If not, then it would be most likely that these specific signals of monetary restraint will begin to appear some time in the early part of 1962.

With overall economic activity in a marked upward trend, which will surely generate rising demands for credit, both private and governmental, the outlook is therefore for a strong resurgence of loan demand at banks and for a further rise in the level of interest rates in the year that lies ahead.

*An address by Mr. Balles before the Tri-State Correspondent Bank Meeting of Mellon National Bank and Trust Co., Pittsburgh, Pa., Sept. 20, 1961.

Cosmetic Chem. Common Offered

Nance-Kieth Corp. is offering publicly 100,000 common shares of Cosmetic Chemicals Corp. at \$4.00 per share. Proceeds will be used by the company for advertising, sales expenses, inventory, research and working capital.

The company of 5 E. 52nd St., New York City, was organized under the laws of Delaware on March 20, 1961, for the purpose of distributing its own perfumes and toilet water under the brand name "Ai" (pronounced "I") and other cosmetic items such as soap, powder, lipstick, etc., all containing the basic fragrance of Ai. The formula for Ai was developed after more than two years of research by Albin O. Holder who on March 29, 1961, assigned the formula to the company.

Second Financial Common Offered

Public offering of 100,000 common shares of Second Financial, Inc., at \$3 per share is being made by Globus, Inc., New York City. Net proceeds, estimated at \$250,500, will be used by the company for general commercial financing including the purchase of notes, mortgages and contracts received by "shell" home builders from their customers.

The company of 2740 Apple Valley Road, N. E., Atlanta, Ga., plans to engage in the activities of "shell" home financing. Authorized stock consists of 750,000 10¢ par common shares, of which 300,000 will be outstanding upon completion of this sale.

With Fin. Security Corp.

(Special to THE FINANCIAL CHRONICLE)
BEVERLY HILLS, Calif.—George B. Peck has become associated with Financial Security Corp., 321 South Robertson. Mr. Peck was formerly with Francis I. du Pont & Co. in Bakersfield.

R. M. Horne Opens

(Special to THE FINANCIAL CHRONICLE)
VALLEJO, Calif.—Robert M. Horne is conducting a securities business from offices at 937 Marin Street. He was formerly with Mutual Fund Associates, Inc.

Join Warner, Jennings

(Special to THE FINANCIAL CHRONICLE)
BOSTON, Mass.—John H. Buck, III, Charles B. Rowley, Jr. and Burton S. Singer have joined the staff of Warner, Jennings, Mandel & Longstreth, 50 Franklin Street. Mr. Buck was with Chace, White-side & Winslow, Inc. Mr. Rowley and Mr. Singer were with Schirmer, Atherton & Co.



Standard Oil Company <Indiana>: a six months' progress report

Crude production, product sales rise; earnings up 14%; American Oil effects smooth changeover to national marketer

What has happened to Standard Oil Company (Indiana) and a major subsidiary, American Oil Company, since their reorganization at the end of last year? President John E. Swearingen provided the answers in a recent report to shareholders and in the summer issue of SPAN, a quarterly magazine for share owners of Standard of Indiana and employees of its group of companies.

Marketing subsidiary in smooth changeover

Mr. Swearingen enumerated first-half accomplishments of the Company's subsidiary, American Oil Company, after it became a national marketer. New Torch and Oval identification signs were installed at service stations throughout the East, South and Far West. All stations now display a uniform red, white and blue color scheme. The Company's more than 29,000 outlets now feature the popular Atlas® brand of tires, batteries and accessories that were formerly offered only at Midwestern and Far Western stations. Local and national advertising, the greatest campaign in the Company's history, has provided quick consumer recognition of the strides taken by American Oil Company.

In another major move by this subsidiary, the famous "As You Travel—Ask Us" service, which has continued to be an effective sales generator, was extended to outlets in all areas of operations. In the East and South, American's unique unleaded premium gasoline, Amoco®, was significantly improved in octane rating. An office was opened in Los Angeles to undertake development of markets in the Southwestern and Pacific Coast states where the Company has had limited distribution.

The amazing growth of the credit card, and its importance in American Oil Company operations, was emphasized in the summer issue of SPAN. In the Midwest alone, between 1950 and 1960, the number of credit card customers of Standard Oil Company (Indiana) grew from 250,000 to 1.5 million. Since January 1 of this year, the addition of accounts from the East, South and West has swelled this total to 2.5 million. Dollar volume through the newly centralized credit card operation in Chicago often approaches \$2 million daily.

Earnings position improved

Mr. Swearingen told shareholders that consolidated net earnings for second quarter 1961 were \$30,357,000, or 84 cents a share. This compares with \$33,198,000, or 92 cents a share in the same period of 1960. However, Mr. Swearingen reported a 14% improvement in first-half earnings (\$74,177,000, as compared with \$64,887,000 in first half 1960), and forecast earnings for 1961 as a whole will show an improvement over 1960.

Crude oil production and product sales increased in the second quarter as compared with 1960, but operating expenses, partly due to higher wage costs, also increased. Severe gasoline price cutting over wide areas during April, May and June had adverse effects on profits.

Primarily responsible for the first-half earnings improvement were better prices for refined products early in the year, increases in net production of crude oil and natural gas liquids and in volume of product sales, and the Company's continuing emphasis on cost reductions.

Crude production, product sales up

Net production of crude oil and natural gas liquids in the first six months averaged 350,000 barrels a day, up 11% over the 1960 period. The increase was achieved primarily in Argentina (where production averaged 36,000 barrels a day) and Canada (17,000 barrels a day). In addition, the Lake Maracaibo block in Venezuela became productive in May. The Company's part interest in this block is averaging around 3,000 barrels a day.

Refinery runs during the first half averaged 650,000 barrels a day, up 4% over a year ago when refinery strikes affected operations. Runs were reduced substantially in the second quarter of 1961 in line with market needs. Sales of refined products averaged 684,000 barrels a day for the six-month period, 1.5% increase over a year ago.

International developments

A further step in the Company's petrochemical expansion was taken with the acquisition of a 35% interest in Furukawa Chemical Company, Tokyo. Furukawa manufactures polyethylene and copolymers under license from Standard Oil Company (Indiana). Furukawa produces 20 million pounds of these versatile plastics annually.

The Company also reached an agreement with Algemeene Kunstzijde Unie N. V. (AKU) for the joint manufacture of dimethyl terephthalate (DMT) in the Netherlands. Work will start soon by a jointly owned subsidiary on a DMT plant that will use our unique oxidation process. DMT is the chemical raw material from which polyester fibers and yarns are made.

U. S. expansion briefs

In August, another Standard Oil Company (Indiana) subsidiary, Tuloma Gas Products Company, acquired an interest in General Gas Corporation of Baton Rouge, La. Tuloma is one of the nation's leading marketers in the rapidly growing LP-gas field. General Gas's sales approximate 130 million gallons a year.

Work is progressing on the oxo-alcohol plant that the Company is constructing near Haverhill, Ohio, in joint ownership with Pittsburgh Coke & Chemical Company.

Quarterly dividend

Directors of Standard Oil Company (Indiana) declared a regular quarterly cash dividend of 35 cents a share payable September 14, 1961, to the Company's nearly 157,000 shareholders of record as of the close of business on August 25, 1961. It is the Company's 262nd dividend.

The Company also announced plans to pay its dividend for the fourth quarter of 1961 on December 27 instead of December 30. The change from the previous schedule would permit receipt of any such dividend by shareholders before the close of the calendar year.

Directory of Standard Oil Company <Indiana>

Major Subsidiaries

AMERICAN OIL COMPANY, headquarters in Chicago, manufactures, transports, and sells petroleum products in the United States. It markets through its Standard Oil division in 15 Midwest states.

AMOCO CHEMICALS CORPORATION, Chicago, manufactures and markets chemicals from petroleum here and abroad.

AMOCO TRADING CORPORATION, New York City, buys, sells, and trades crude oil and products abroad.

INDIANA OIL PURCHASING COMPANY, Tulsa, buys, sells and trades crude oil and natural gas liquids in the United States.

PAN AMERICAN PETROLEUM CORPORATION, Tulsa, finds and produces crude oil and natural gas in the United States and Canada. Its subsidiary, Pan American International Oil Corporation, New York City, engages in oil exploration and development outside of North America.

SERVICE PIPE LINE COMPANY, Tulsa, transports crude oil for our refineries and for others.

TULOMA GAS PRODUCTS COMPANY, Tulsa, markets liquefied petroleum gas, natural gasoline, and related products.

STANDARD OIL COMPANY <INDIANA> 910 S. MICHIGAN, CHICAGO 80, ILLINOIS

BANK AND INSURANCE STOCKS

This Week — Bank Stocks

RETURN ON BANK STOCKS—

There has been recent discussion and publicity in financial periodicals concerning the levels of bank stock prices. In this column, within the past month, there has been some endeavor to point to the level of bank stock prices and equate their earnings multiples of those of other media of equity investment. Historically bank shares are not selling at unusually high price/earnings ratios. It was also pointed out that the rise in the price/earnings ratios paid for bank stocks has not equalled the rise of price/earnings ratios of the Dow-Jones industrials or other groups—such as utility shares which are considered "defensive" as are bank stocks.

Bank shares have also been a vehicle, in the equity field, which offers the advantage of yield. Within the past three years this characteristic of bank stocks has disappeared and shares no longer sell to return in the vicinity of 4%. The average yield on those major commercial banks listed below is now 2.54%, whereas the yield on the Dow-Jones Index of 30 industrial shares is 3.01%. At the same time the return on bonds has risen.

In the period shown below—from 1958 to the present—First National City Bank has been used as the typical bank stock because it is fairly representative of the bank stock field. Looking back somewhat further to the early 1950's, however, the return on the Dow-Jones Index approached 6% while the return on First National City Bank in this period seldom exceeded 5%. Also of importance is the dividend payout. Using First National City as representative of bank stocks, this percentage payout has fallen appreciably in the period shown; whereas, the payout on the Dow-Jones stocks remains at 1958 level. Also, banks are now in a better position to pay out a higher percentage of earnings due to the general improvement of the capital position.

For example, First National City Bank had capital funds equivalent to 9.2% of deposits in 1955. For the past three years capital funds have remained at a constant percentage (10% of deposits) and payout has, at the same time, declined. As indicated, the level of bank stock prices has been compared with utility stocks in the past. Although there are no specific figures shown, utility companies usually pay out in the vicinity of 60% of earnings—a considerably higher rate than either New York City banks or growth banks.

SELECTED BANKS: PRICES, YIELDS AND PAYOUT

	Price	Current Dividend	Yield	% Payout Based on 1960 Earnings
Bankers Trust Co.	69	\$1.97	2.86%	49.1%
Chase Manhattan Bank	82	2.50	3.05	47.0
Chemical Bank N. Y. Trust Co.	84	2.60	3.09	54.0
First National City Bank	102	3.00	2.94	50.4
Manufacturers-Hanover Trust Co.	59	2.00	3.40	54.0
Morgan-Guaranty Trust Co.	129	4.40	3.41	63.5
Bank of America	65	2.00	3.08	55.0
Citizen's & Southern National Bank	72	1.60	2.22	45.6
Continental Illinois National Bank	158	4.00	2.53	39.3
First National (Boston)	101	3.00	2.97	47.5
First National (Chicago)	95	1.60	1.68	33.0
Mellon National Bank	169	4.00	2.37	43.1
National Bank of Detroit	74	2.00	2.71	39.6
National City Bank of Cleveland	61	1.40	2.29	39.8
Republic National	83	1.68	2.02	56.0
Seattle First National Bank	78	1.70	2.18	44.0
Security First National (L. A.)	86	1.60	1.86	39.4
Valley National (Phoenix)	64	1.00	1.57	40.0
Wachovia Bank & Trust Co.	37	.50	1.37	31.9
Wells Fargo-American Trust Co.	80	1.60	2.00	39.7

Current Average Yield & Payout

2.54% 41.6%

Year-End Average Yield of Various Investment Media

	1958	1959	1960	Sept. 1961
*Bank Stocks	4.16%	3.33%	4.00%	2.94%
Dow-Jones (Ind. Index—30 Stocks)	3.49	3.07	3.46	3.01
Utility Bonds (Ha. Moody's)	4.40	5.21	4.59	4.63

Dividends as Percent of Earnings

	1958	1959	1960	Jan. 30, '61
**Banks Stocks	59.7%	53.0%	49.5%	50.4%
Dow-Jones (Ind. Index—30 Stocks)	71.5	60.5	65.1	71.6

*Yield on First National City Bank Stock.

**Payout on First National City Bank Stock with 1961 payout based on earnings for 1960.

In view of the outlook for higher bank stock earnings it appears possible that there will be dividend increases among this group. Although New York City banks may have small increases,

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Specialists in Bank Stocks

and some will take the form of small stock dividends, many of the faster growing banks whose payouts are low appear in a position to increase dividends as long as their capital funds are sufficient.

Also of importance to the whole discussion of bank shares is the increasing interest in the United Kingdom in United States banks. Certain foreign investment trusts enjoy the advantage of dividend credits; therefore, present return may be greater than the actual yield. In addition, the fact that Great Britain does not treat capital gain in the same way as the United States has given impetus to the interest in U. S. bank shares. Banks are one important segment of the United States economy that has not suffered to any great extent within the past year earnings-wise. Great Britain and other Western European countries are aware of capital gain and view many U. S. banks as investment opportunities for this purpose as well as a media which will enjoy growth in dividends.

The Buoyant U. S. Economy And Multilateral Borrowings

Continued from page 3

economic activity was reached in the first quarter of this year. In the second quarter, major economic indicators recorded new highs. Gross National Product, personal income, and personal consumption expenditures all reached fresh peaks in the April-June period. Total industrial production recorded a new high in July and again in August. We estimate that Gross National Product—which jumped from an annual rate of just over \$500 billion at the beginning of the year to \$516 billion in the second quarter—will reach approximately \$540 billion during the fourth quarter. The course of our economic recovery has been particularly encouraging since prices have remained stable. Hence, almost the entire rise in our gross national product has been real. Moreover, our increased economic activity has not been accompanied by speculative buying or abnormal build-up of inventories.

During the past year the monetary and fiscal policies of the United States have been directed at limiting the extent of the decline in economic activity and at strengthening the forces of recovery. Prompt recognition by our monetary authorities of the impending downturn brought a quick shift of policy from monetary restraint to ease. As early as June of last year, the Federal Reserve relaxed credit restrictions by reducing discount rates and lowering the reserve requirements of commercial banks. Federal Reserve purchases of government securities provided additional bank reserves to combat recession and finance expansion. Reflecting this Federal Reserve policy, total loans and investments of commercial banks have expanded by 7%, or \$14 billion, during the past 12 months. This large increase provided a major force which softened the strains of recession and stimulated recovery.

On the fiscal side, increased unemployment benefits and other government outlays associated with the recession—in conjunction with reduced income tax collections—have operated as in previous recessions to provide an automatic supporting influence. Largely as a result of these "built-in stabilizers," the total value of all goods and services produced during the economic downturn never fell appreciably below the corresponding quarter of the previous year.

As I noted earlier, we are especially encouraged that our recovery and our attainment of record new levels of production have been accompanied by price stability. Our index of wholesale prices has remained for three years at virtually the same level. Retail commodity prices have been stable while the over-all index of consumer prices has in-

creased by less than 1% since last October.

More Growth in U. S.

The business outlook for the United States during the coming year is very promising. Excessive stocks have been liquidated. As a result of rising production and sales, inventories have once more begun to increase moderately but they are not high in relation to either present or prospective needs. Consumers have reduced their debt and built up their savings, thus strengthening the outlook for retail trade. Net financial savings of individuals rose by \$7.7 billion in the first half of 1961 on top of a \$10 billion rise in 1960. In contrast to 1958-59, interest rates have remained remarkably constant during the initial recovery period.

We anticipate further vigorous growth. The substantial room in our economy for further expansion should avert any inflationary pressures that might otherwise develop. For we have no shortage of productive resources, nearly all of our industries are operating well below capacity and the labor supply is ample. Continued rises in output should materially assist us in solving the persisting problem of relatively high unemployment. Nevertheless, we are developing worker retraining programs designed to attack this problem directly.

Federal budget expenditures remain well within our capacity. In fact, the deficit for fiscal year 1961 and the projected deficit for 1962 are together much smaller than the deficits during the last comparable recession and recovery in 1958-1959. After taking into account all presently scheduled expenditures, including the substantially increased outlays for defense requested by President Kennedy in July, our estimates point to a deficit this year (fiscal 1962) that will amount to about half the deficit for fiscal 1959. In addition, our gross national product will run some 17% higher than in fiscal year 1959, and our tax revenues will be about 21% greater. Hence, the economic impact of the current deficit will be considerably less than half that of the 1959 deficit.

The deficits in fiscal 1961 and 1962 are essentially a reflection of the short-fall of revenues resulting from the recent recession. This is a characteristic of our tax system because it is heavily dependent upon direct taxation of personal and business income. For the same reason we may expect sharp increases in revenues as business improves and the economy grows. The calendar year 1962 gives every promise of being a very good year for business, and since our revenues are based upon earnings of the previous year, we can confidently look forward to a substantial increase in our income during the fiscal year 1963, which begins next July. Fiscal 1963 will be closely comparable in the business

cycle to fiscal 1960, when Federal revenues jumped \$10 billion over the preceding year. Hence, unless a need arises for further increases in defense outlays, the balanced budget which President Kennedy is determined to submit next January can be achieved without any increase in taxes. However, should additional defense expenditures become necessary, the President has stated clearly and unequivocally that he is prepared to request additional taxes should they be required to balance the budget.

Anticipates Balanced Budget for Fiscal 1963

I would like to emphasize the firmness of our decision to balance our budget in fiscal 1963. Indeed, had it not been for the increase in international tensions over Berlin, which forced us to increase our defense expenditures substantially above the levels previously planned, we could have looked forward confidently to a substantial budgetary surplus in fiscal 1963. We are resolute in our determination to maintain both a sound and an expanding economy so that the United States may play its full part in the defense and the development of the free world and, at the same time, meet the requirements of an increasing population at home.

I am glad to be able to report that the United States balance of payments has developed in a much more satisfactory manner this year than in 1960. The marked improvement in our merchandise account during 1960 continued into 1961 and the large speculative outflows of short-term capital, which swelled the volume of our outpayments in the second half of 1960, have ceased. Our merchandise trade surplus in 1960 amounted to \$4.7 billion, whereas in 1959 it has been less than \$1 billion. In the first half of 1961 our trade surplus was running at a seasonally adjusted annual rate of \$6 billion.

These developments are reflected both in our "basic" position comprising all of our recorded transactions exclusive of United States private short-term capital outflow and in our overall payments position. In 1960 the basic deficit amounted to \$1.9 billion, compared with \$4.3 billion in 1959 and \$3.6 billion in 1958. In the first half of 1961 the basic position continued the substantial improvement shown in 1960 and, without counting special prepayments of \$650 million on United States Government loans, was almost exactly in balance. Our overall deficit, which is measured by decreases in United States holdings of gold and convertible currencies plus increases in foreign liquid holdings of United States dollars—which together amounted to about \$4 billion in both 1959 and 1960—was running at a seasonally adjusted annual rate somewhat under \$1.7 billion in the first half of 1961. The figure of \$1.7 billion also does not count as a receipt the special debt prepayments of \$650 million. While this indicates continuation of substantial short-term capital outflows, these movements have represented, for the most part, a substantial enlargement of the financing of world trade by United States banking institutions and have not been speculative in character.

No Time to "Relax"

These are encouraging developments but they do not mean that the United States can relax its efforts to achieve a satisfactory and durable equilibrium in its balance of payments. We must have a large and growing export surplus of goods and services to pay for military expenditures abroad, which we incur for the defense of the free world. We must have it as well for both that portion of our foreign aid program that is not covered by procurement in the United States and

for our continuing large outflow of long-term private development capital.

The improvement in our trade surplus so far this year cannot be expected to continue in the months ahead, since it was accomplished more through a decrease in imports than through an increase in exports and now as the United States' economy moves toward reasonably full employment of resources, we must look to a corresponding expansion of our imports. Indeed, they have already started to grow. While this tends to sharpen our payments problem, it also leads to larger world trade and greater prosperity for our trading partners.

Accordingly, we must continue to make intensive efforts to expand our exports. This means for us, as it does for any nation, that we must constantly improve the productivity on which the ability of our producers to compete in world markets is based. It also requires that we prevent increases in money costs from canceling out improvements in productivity. At the same time, our producers must search out export opportunities with energy and imagination. The domestic market of the United States is a very large one and many of our producers have traditionally thought almost exclusively in terms of that market, rather than of opportunities overseas.

We believe this orientation can and must be shifted, for there are surely thousands of our producers who can be more successful in the export field than they have been in the past. It is for this reason that our government is devoting considerable effort to bringing market opportunities abroad to the attention of our business community.

We are well aware that the position of the dollar as a strong reserve currency depends upon our success in maintaining a reasonable equilibrium over the years in our balance of payments. This we are determined to do. As we succeed, the upward trend in the accumulation of gold and dollars by other countries taken together will necessarily be slowed. The elimination of current payments imbalances can, of course, be greatly facilitated by the cooperation of surplus countries in pursuing liberal trade policies, in increasing long-term development assistance, and in sharing expenditures for the common defense in accordance with their capabilities.

On Enlarging Fund Operations

During the past year, as Mr. Jacobson has reminded us, there has been active discussion and examination in governmental circles, among economists, and in the financial press, of the adequacy of existing international monetary arrangements. These discussions have been very helpful. Mr. Jacobson has now proposed that each of the principal industrial countries commit itself to lend its currency to the Fund up to a stated amount. I strongly agree that an arrangement of this sort should be worked out to ensure the Fund access to the additional amounts that would be needed should balance of payments pressures involving these countries ever impair or threaten to impair the smooth functioning of the world payments system.

At the same time, for its regular requirements, the Fund can, and should be expected to borrow from one or another of the participating countries under Article VII whenever its supply of any of these particular currencies becomes low. It would also appear reasonable to consider the possibility that such loans be credited against any commitment which the lending country may have undertaken as its part of the multilateral arrangement. These special bilateral borrowings would thus replenish the Fund's supply of particular currencies in strong

demand and, in this way, would help to avoid undue drains on its gold reserve.

Borrowing Requirements

I have no fixed opinions on the details of the multilateral borrowing arrangement. I am confident—on the basis of the encouraging views I have heard expressed during this meeting—that practical means can be found to give effect to the agreement in principle which so evidently exists. There are four important aspects which I do wish to emphasize:

First, the aggregate amount the participating countries should look forward to committing to the project should be large enough to add decisively to the Fund's capacity to play its essential role.

Second, to be effective, the additional resources must be promptly available in case of need.

Third, safeguards will be required to ensure that there will be effective consultation between the Fund and the lenders, and that the Fund will only actually borrow under the commitment arrangements after taking full account of the current reserve position of the lending country. In addition, each country which actually lends to the Fund should, in case the need develops, be able automatically to obtain repayment from the Fund.

Fourth, I concur in Mr. Jacobson's judgement that there must be no weakening of the policies that have guided the Fund in the use of its resources; nor should the new arrangement change in any way the existing rights and duties of members of the Fund, both as drawers of currencies and as providers of currencies.

This is an urgent project. The Fund should push ahead promptly in its current consultations with the prospective lending countries in order that the executive board may carry the project to completion so that the participating countries may obtain the necessary legislative authority from their parliaments early next year. With this done, the monetary system of the free world will be substantially strengthened, for the Fund will then clearly be in a position to meet the changing needs of the new world of convertible currencies.

Speaking for my country, I want to say that the United States regards the work in which we are engaged here in Vienna as having a direct and important bearing upon the future course of free world growth and progress. I have confidence in the ultimate outcome of our deliberations because I have confidence in the vitality of the free economies upon which the work of the Fund is founded. Our mutual goal is a world of expanding opportunities for every human being to pursue his legitimate aspirations in peace and freedom. The International Monetary Fund is playing an important role in helping us to achieve it.

*An address by Mr. Dillen at the Annual Meetings of the Boards of Governors of the World Bank and Monetary Fund, Vienna, Austria, Sept. 20, 1961.

Brown, de Mille And Co. Formed

LAS VEGAS, Nev. — Brown, de Mille & Co. has been formed with offices at 1705 South Eighth St., to engage in a securities business. Partners are Dewaine M. Brown, and Richard de Mille. Both were formerly with George R. Wright & Co.

A. J. Davis Co. Opens

PITTSBURGH, Pa. — A. J. Davis Co. has been formed with offices at 520 St. James Place to engage in a securities business. Alan J. Davis is President, and Michael Bepalko, Vice-President. Mr. Davis was previously with Blair F. Claybaugh & Co.

AS WE SEE IT

Continued from page 1

conquerors and the conquered as among the would-be conquerors were at the bottom of most if not all major conflicts. The British, always the pragmatists, long ago seemed to sense that history in the end would not condone the imperialistic ties that then existed. She, accordingly, began systematically to withdraw, leaving the former colonies and other possessions largely to their own devices — thus losing some of her possessions altogether but welding others into what is now known as the Commonwealth of Nations, a loose sort of federation based on voluntary agreements. Some of the other formerly imperialist nations have not been quite so far-sighted — such for example as France and Belgium — and are now having difficulties of their own as a result. By and large, however, the former colonial powers have ceased to be colonial powers and are content to let the matter rest there. Contrary to their positions throughout much of their history, they are now chiefly interested in maintaining the *status quo* throughout the world. The United States, of course, has never been a truly colonial power, and such excursions as it took into that field have long ago been abandoned.

One of these imperialist countries was Russia, which was formerly interested chiefly in spreading its power over areas close at hand or even contiguous to its own territories, its aim or ambition for the most part was to obtain one or more warm water sea ports. World War I sliced off a very substantial part of the booty accumulated through the years. World War II, however, restored all this and more. For a time after World War I it appeared that the Soviets were relatively content with what was left to them—which in all conscience was quite enough — but time has brought basic changes in this attitude. Possibly, there never was much content with the situation as it existed—only Russia was not strong enough either economically or militarily to do much about it and was biding its time with oriental patience. In any event, there has now emerged a ruling clique which has imperialistic ambitions far exceeding anything that the older Russian rulers ever dreamed of.

Marxist Dogma Convenient

The Marxian "dialectic" as it is called was and still is excellently suited as a sort of rationalization of this type of aggression. It may well be, of course, that men like Mr. Khrushchev have become so saturated with the communist dogma that they can see nothing unnatural in a world re-

volving about the Kremlin. It can hardly be need of additional living space or of natural resources which drives the present Russian imperialists on. It is apparently a burning desire for power and more power that is their driving force. They may even believe (as they are so fond of saying) that the non-communist world—in particular West Germany and the United States are planning the overthrow of the Soviet Government in Russia—to say nothing of the communist puppets in surrounding territories.

But whatever may be the rationalization of the present conduct of the Kremlin, and whatever may be the specific motive in any particular campaign of aggression, what we have before us is a renewal of the old, old power struggle which more or less incidentally involves the spread of communism. Mr. Khrushchev the other day said in effect that the course of future history would determine whether or not communism or private enterprise would triumph in the end and that determination would rest upon the relative merits of the two systems as applied to the welfare of mankind in general, or words to that effect. He is, of course, quite right on that point—although he is also quite evidently not willing to leave the matter wholly to the forces of nature but rather insists, whenever the opportunity presents itself, upon trying to hasten the conversion to his system which he professes to believe will in the end prevail anyhow.

Patriotism Above All

The old, old unwillingness of the Soviets—and for that matter some of the other powers of the earth—to leave in any one's hands anything that has a vital bearing upon their own welfare or future is the basic difficulty in the United Nations—as it was in the League of Nations and as will inevitably be in any other sort of organization of the nations of the earth so long as human beings place patriotism above all else. The leader of the Kremlin some time ago said quite bluntly that even if the entire World outside his own orbit objected to some policies of his, he would persist in them if he thought the interests and security of his country were at stake. He was quite frank and even blunt about it, but his position in that respect is not very different from that of many other nations in the course of history.

It is now the communist nations—Russia and China—which are on the make as it were — and the state of science is such that large scale war can no longer be

tolerated. In this sense it is a new world situation. The question now is whether somehow mankind can reconcile nationalism, which is still vigorous to say the least, with avoidance of large scale war. The penalty of failure is too great to contemplate. Left to natural forces, communism will, we are quite confident, be wholly unable to compete with private enterprise.

Andrew Jergens Common Offered

Hornblower & Weeks and associates are offering publicly 250,000 common shares of The Andrew Jergens Co. at \$23 per share. These shares, which are being sold by certain shareholders, represent the first public offering of the company's stock.

The company with offices in Cincinnati, O., manufactures and distributes a general line of toiletries, cosmetics and toilet soaps, most of which are sold under the trade names "Jergens" and "Woodbury." Its products also include other types of hand and body lotions, hand and skin creams, toilet soaps, face powders, make-up, fragrance products, shampoos and deodorants.

Mohawk Insur. Stock All Sold

Meade & Co., New York City, reports that its recent offering of 75,000 class A common shares of Mohawk Insurance Co., at \$12 per share, has been all sold. Proceeds will be invested in income producing securities and will enable the company to conduct a substantial volume of business.

The company of 198 Broadway, New York, plans to write all forms of fire and casualty insurance for which it may be licensed by the insurance department of New York State. Authorized stock consists of 95,000 class A and 5,000 class B shares, all of which are now outstanding.

Valve Corp. Of America Stock Sale

Lomasney, Loving & Co., is offering 145,000 common shares of Valve Corp. of America at \$7.00 per share.

The company with headquarters in Bridgeport, Conn., is engaged in the manufacture and sale of valves and accessories for aerosol containers. Valve Corp. believes that it was the third largest seller in the aerosol valve industry in 1960, accounting for approximately 14% of total industry sales based upon trade association figures.

Form First Western Trust

ENGLEWOOD, Colo. — The First Western Trust Company has been formed with offices at 3401 South Bannock St. to engage in a securities business. Officers are Charles A. Fritsinger, President; Gale A. Warner, Vice-President; Benjamin F. Hitchins, Treasurer; and J. A. F. Wendt, Jr., Secretary.

F. M. Foley Opens

ARLINGTON, Va. — Frank M. Foley is engaging in a securities business from offices at 2001 North Adams St. under the firm name of Foley and Company. Mr. Foley was formerly with Allen McFarland & Co. and East Coast Investments Co., Inc.

MUTUAL FUNDS

BY JOSEPH C. POTTER

Somebody's Working on the Railroads

Aside from extremely brief flurries, the managers of investment funds have shown scant interest in the problem-ridden railroad equities. Not even fat yields (7% in mighty Chesapeake & Ohio Railway) have bestirred the stewards of \$21 billion of investment funds.

A review of the record—both of the rails and the funds—will stir no regrets among the millions of investors who have entrusted their nest eggs to these stewards. In the years since World War II the carriers have piled up problems while other industries were registering advances, sometimes on the phenomenal scale.

There was the day several years ago when railway supplier King McCord of Westinghouse Air Brake came to Wall Street to address 300 security analysts. He started out by asking the audience that jammed the room how many among them considered themselves railroad analysts. A few hands went up and McCord decided that he had better talk about the electronics and earth-moving subsidiaries that his company had acquired. He couldn't hear the fundman who mumbled: "Anyone who'd buy a railroad stock ought to have his head examined."

Early this month we spent a week in Chicago looking at the annual exhibit of the railway suppliers. Here were some 150 companies, which had spent heavily for research and development of spanking-new products and services for their railroad customers. We don't know how much in the way of sales these people registered, but the railroad people were out in force. At an educated guess, there were 5,000 potential customers, who crowded their way into the Sherman Hotel and braved heat, rain and even gale winds to see the revolutionary rolling stock along the Illinois Central tracks.

The overriding impression of railroad men, suppliers and market analysts was that the business of steel wheels on steel rails was going to have a revival. There were the low-level flat cars that would permit the Eastern railroads, with their low-overhead obstructions, to vie once more for the automobile traffic, the three-level flat cars that hauled 15 automobiles (the old box car carried four), the shock-absorbing devices that promised elimination of the \$120-million-a-year damage to railroad freight, the box car with an overhead garage-type door opening of over 50 feet to pick up and haul away the bulk-hauling. There were dozens of other innovations that stirred unwanted enthusiasm.

To be sure, many analysts thought it would take governmental action to get the railroads highballing again. Action already has begun at the municipal and state levels because politicians are sensitive to the problems of voting commuters. The big help, of course, must come from Washington and it must be directed toward the solution of the freight-handling problems. Whether the government is to step in, as it did in World War I, to finance the purchase of freight cars remains to be decided. Some will call this subsidy, while others will reason that this is equality. After all, public money to build a great network of highways fostered such giants as the automotive, rubber, oil and steel industries.

Listening and thinking in Chicago about the difficulties of the railroads, we were led to wonder whether these problems would not create opportunities—investment opportunities. Therefore we were agreeably surprised on returning to come across a special report by Arthur Wiesenberger & Co. on the carriers. Said this report:

"... perhaps because this bull market is so old, many investors may have forgotten that some of the most attractive investment opportunities are presented by securities quite out of current favor with the investment public and deemed to have a nearly hopeless outlook."

The well-organized study went on to state the case for railroad stocks and add: "We recommend their purchase."

Its argument is based on such factors as the growth of piggyback, mergers, cost-cutting, higher steel production that should mean increased haulage of iron ore and coal, lower local taxes and the bright prospects for Federal aid.

So it may yet come to pass that the railroads will have a new day in the marketplace. Who knows, maybe the investment company field, which has gone in heavily for specialization, will one day spawn a railroad fund? And it's not so amazing if you pause to consider that it long has had a closed-end textile fund.

The Funds Report

Shareholders of **Axe - Houghton Fund B** will receive a year-end payment of 31 cents a share, including a distribution of 27 cents from net security profits and a dividend of 4 cents from investment income. In all, the fund will pay out more than \$5 million from security profits realized on a tax basis and more than \$750,000 from investment income. The payment will be made Oct. 27 to shareholders of record Sept. 29.

Dividends Shares, Inc., the quality common stock fund in the Calvin Bullock group, has declared a capital gains distribution of 11 cents a share for the fiscal year ended Oct. 31, 1961. At the same time, the board declared a dividend from net investment income of 2 1/4 cents a share for the final quarter, making a total dividend payment from this source during the fiscal year of 9 cents. Both are payable on Oct. 25 to shareholders of record Oct. 3, 1961.

The capital gains distribution in 1960 was 9 cents per share. Dividend payments in 1960 also came to 9 cents.

Total net assets of Dividend Shares on Sept. 15, 1961, were \$325,407,026, compared with \$265,635,459 a year ago. Assets value per share on Sept. 15, 1961, was \$3.54, compared with \$3 on Dec. 31, 1960.

Federated Growth Fund reports that during the latest quarter it has made these new acquisitions: Allied Maintenance Corp., American Greetings Corp., Broadway-Hale Stores, Glen Gery Shale Brick Corp., Mead Johnson and Western Union. Additional shares were acquired of Pabst Brewing Co., Radiation Dynamics and Ward Industries Corp. It eliminated Air Control Products, Chas. Pfizer and Winn-Dixie Stores.

Fidelity Capital Fund, one of the Fidelity Management Group of Mutual Funds, announces the appointment of Robert F. A. Lawson as an assistant vice-president. Mr. Lawson, formerly manager of research for F. S. Moseley & Co., is a graduate of Harvard Business School and Harvard University.

A Montana man, Lawrence F. Wilson, of Gallatin Gateway, has been honored by his firm, **FIF Associates, Inc.**, for his outstanding sales achievement. J. William Tempest, President of the mutual fund distributing organization, announced, Mr. Wilson, a registered representative for the fund sales organization for a little more than one year, has been elected to FIF Associates 1961 President's Club. He received the honor by producing a total business volume of \$150,828 thus far this year.

Group Securities announced that its high-quality Common Stock Fund had total assets of \$149,166,000, equal to \$14.54 per share, at Aug. 31. This compares with \$114,338,000 and \$11.71 a share at Nov. 30, 1960, close to the last fiscal year.

Institutional Growth Fund has declared a dividend of 4 cents per share from investment income and a distribution of 32 cents per share from realized securities profits, payable Nov. 1, to shareholders of record Oct. 2. This is the 62nd consecutive distribution for the fund.

Jack L. Nienaber, of Edina, has been appointed director of the investment division of Minneapolis-based **Investors Diversified Services, Inc.** The announcement was made by Donald E. Meads, vice-president-finance. For the past 5 years, Mr. Nienaber has served successively as financial analyst, manager of investment research and general manager of fund portfolios in the company's investment department.

Keystone Medium - Grade Bond Fund, Series B-2 has declared a regular distribution from net investment income of 54 cents. **Keystone Growth Common Stock Fund, Series S-3** has declared a regular distribution from net investment income and a special distribution from net realized profits of 12 cents and 46 cents respectively. All distributions are payable Oct. 15 to holders of record Sept. 30.

Massachusetts Investors Growth Stock Fund, Inc., reports that at Aug. 31 net assets amounted to \$546,388,784, or \$18.26 a share, against \$378,022,347 and \$14.80 per share a year earlier.

Massachusetts Investors Trust declared the 148th consecutive quarterly dividend from net investment income at the rate of 9 cents per share, payable Oct. 30 to shareholders of record Sept. 29.

Nation - Wide Securities Co., the balanced fund in the Calvin Bullock group, reports that total net assets at Aug. 31 were \$44,258,155 or \$23.17 per share. This compares with assets of \$35,570,955 and \$20.39 a share a year earlier. The company also announced that during the latest three-month period it had bought shares of Ford Motor Co. while eliminating common stock of Pacific Gas & Electric Co.

Nucleonics, Chemistry & Electronics Shares, Inc. reports record sales for the third quarter and the first nine months of its fiscal year to Aug. 31. Sales of shares and plans amounted to \$4,923,000 for the quarter and \$17,393,000 for the nine months, up 89% and 66%, respectively, over the like period last year.

William G. Damorth, vice-president, attributed the gains to a "growing public awareness that companies in the vanguard of technological advances offer a fertile field for investment when selected and managed by professional investment counsel."

Texas Fund, Inc., reports that at Aug. 31 net assets totaled \$44,390,545, equal to \$11.73 a share. This compares with assets of \$36,637,644 and \$9.74 per share a year earlier.

The company, in the annual report for the year which ended Aug. 31, stated that "it followed a more aggressive policy in the latter part of the fiscal year" while maintaining emphasis on issues with "defensive growth" characteristics. These were termed stocks "whose earnings are expected to be only moderately affected by swings in the business cycle."

Investors Funding Securities Sold

Eisele & King, Libaire, Stout & Co. is manager of an underwriting group which is offering in units \$1,250,000 of 7 1/2% registered subordinated debentures due June 30, 1976 (with attached warrants to purchase 12,500 shares of class A stock), and 25,000 shares of class A stock, \$5 par value, of Investors Funding Corp. of New York. Each unit, consisting of a \$500 principal amount debenture; 10 shares of class A stock, and a warrant to purchase five shares of class A stock, is offered at \$650.

The company of 630 Fifth Ave., New York, was formed in 1946 for the primary purpose of investing in New York City real estate. The largest part of the corporation's business is now in the acquisition of real estate suitable for construction of apartment houses in the New York metropolitan area. It is anticipated that as a result of the new policy, a larger part of the company's future income will come from ground rent. The company now has acquired 26 parcels of land in the metropolitan area.

Cosmo Book Distributing Stock Sale

Public offering of 110,000 common shares of Cosmo Book Distributing Co. at \$3 per share is being made by Frank Karasik & Co. Inc., New York City. The offering marks the initial public sale of the company's stock.

Net proceeds from the financing will be used by the company to repay a bank loan, finance additional inventory requirements, and increase working capital.

The company with headquarters in Elizabeth, N. J., is engaged in the wholesale distribution of fiction and non-fiction, technical and academic books printed by all major (as well as most of the smaller) publishers in this country, to retail, department and chain stores, public libraries, schools and other educational institutions. In addition, the company acts as consultant and sets up the book departments for many of its department store and chain store customers through a controlled inventory system.

Amer. Packing Common Offered

The initial public sale of the common stock of American Packing Co. is being made with the offering of 150,000 shares at a price of \$4.50 per share by Joseph Nadler & Co., Inc. and associates.

Net proceeds from the financing will be added to the company's working capital and used for general corporate purposes, including partial financing of the marketing of its salmon pack, and for additional capital requirements to handle a possible further volume of business.

The company with headquarters in Seattle, Wash., is engaged in processing and selling canned salmon, which is packed in its two plants located at Anacortes, Wash., on Puget Sound, and at Naknek, Alaska, on Bristol Bay. American Packing produced about 3% of the 1960 domestic salmon pack, and trade statistics furnished by the National Cannery Association indicate that the company was eleventh in 1960 output among the 82 concerns known to be engaged in the salmon industry.

Olson Company Common Offered

Jay Morton & Co., Sarasota, Fla., is making a public offering of 59,000 common shares of Olson Company of Sarasota, Inc., at \$5 per share. Proceeds will be used by the company for repayment of debt, purchase of additional equipment and inventories, development of new products and working capital.

Olson, whose address is Box 2430, Sarasota, Fla., manufactures and distributes a diversified line of proprietary items, chiefly mechanical and electrical accessories of pleasure boats. Its products include outboard motor shear pines, starter ropes, electric cable and testing equipment.

Butler, Herrick to Give Lecture Series

Butler, Herrick & Marshall announces that two separate lecture courses for investors will begin in the firm's West Babylon, Long Island, office on Oct. 3 and Oct. 4. These lectures are free of charge and are offered as a community service.

The series of lectures to begin on Tuesday, Oct. 3, 1961, is designed to acquaint new investors with the fundamentals of successful investment and the series which starts on Wednesday, Oct. 4, 1961, will be for more experienced investors and will emphasize certain special techniques regarding security trading. Both series will begin at 8:00 p.m. and will last until 9:30 p.m., with a question and answer period following the discussion.

These lectures will run for eight (8) consecutive weeks, with the last lecture scheduled for Nov. 22. The course on Wednesday evenings will be conducted by Kenneth Donovan, Co-Manager of Butler, Herrick & Marshall's office in West Babylon, and the Tuesday night series will have as its moderator William Favuzza, a Registered Representative in the West Babylon office.

Registration for these lectures can be made in person at the West Babylon office, or by calling JU 7-1100.

Form Capra Securities

Capra Securities Inc. is conducting a securities business from offices at 11 Broadway, New York City. Officers are Remo J. Capra, President, and Jean Capra, Secretary, attributed the gains to a retary-Treasurer.

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STATE OF TRADE AND INDUSTRY

Continued from page 5

were still settling new labor contract issues. Plants reaching accord after Tuesday did not get into full-scale production this week.

Cadillac and Pontiac divisions, at main plants, were officially back at work after Wednesday, but faced operational problems before resuming normal output. The three divisions unveiled their new models Sept. 21 and 22.

Elsewhere in the industry, excluding GM, Ward's said production was up a slight 1.5% over the previous week. Ford, Chrysler, American Motors and Studebaker-Packard Corp. this week turned out an estimated 62,480 passenger cars, compared with 61,453 last week.

Ford Motor Co. scheduled Saturday overtime work at 10 plant locations, an increase from eight last week. Studebaker-Packard Corp., for the first time in almost two years, scheduled an extra day in assembly of its cars at South Bend, (Ind.). American Motors, operating on two shifts, worked a five-day week and Chrysler Corp. had its entire car-making complex in production for the period ending Sept. 22.

Of the week's output, Ford Motor Co. accounted for 54.6%; Chrysler Corp. 21.7%; American Motors 9.8%; General Motors 9.4%; Studebaker-Packard 4.5%.

Steel Production Data for the Week Ended Sept. 23

According to data compiled by the American Iron and Steel Institute, production for week ended Sept. 23, 1961 was 2,114,000 tons (*113.5%), equal to the output of 2,032,000 tons (*109.1%) in the week ended Sept. 16.

Production this year through Sept. 16 amounted to 68,318,000 (*96.5%) or 12.7% below the period through Sept. 23, 1960.

The year to date production for 1960 through Sept. 23, 1960, 38 weeks, was 78,243,000 tons or *110.5%.

The Institute concludes with Index of Ingot Production by Districts, for week ended Sept. 23, 1961, as follows:

*Index of Ingot Production for Week Ending Sept. 23, 1961	
North East Coast	118
Buffalo	99
Pittsburgh	106
Youngstown	100
Cleveland	142
Detroit	148
Chicago	116
Cincinnati	124
St. Louis	89
Southern	101
Western	114
Total	113.5

*Index of production based on average weekly production for 1957-59.

Business Failures at Four-Week High

Commercial and industrial failures rebounded to 337 in the week ended Sept. 21 from 292 in the preceding week, reported Dun & Bradstreet, Inc. This increase lifted casualties to the highest level in four weeks and slightly above the 321 occurring last year and the 282 in 1959. Considerably more concerns failed than in the similar week of pre-war 1939 when the toll stood at 239.

Most of the week's rise was concentrated among casualties with liabilities under \$100,000. They turned up to 303 from 259 in the prior week and 272 a year ago. There was little change in failures involving losses in excess of \$100,000, which edged to 34 from 33 a week earlier and remained below the 49 of this size last year.

Retailing casualties climbed to 162 from 146, wholesaling to 54 from 32, manufacturing to 47 from 35, while the toll among service

enterprises rose mildly to 33 from 25. In contrast to the general upturn, construction failures fell to 41 from 54. Fewer construction contractors succumbed than a year ago and manufacturing mortality also dipped below 1960 levels. Tolls in trade and service, however, ran heavier than last year.

Geographic trends were mixed during the week, with five regions reporting more failing businesses and four regions having lower tolls. Casualties climbed appreciably in the Middle Atlantic States to 98 from 74, in the South Atlantic to 48 from 38, in the West North Central to 21 from 10, and in the Mountain to 22 from 2. On the other hand, the East North Central toll was off to 50 from 54 and the Pacific to 71 from 86. Year-to-year trends also varied considerably by regions. Higher business mortality prevailed than last year in four areas, lower in four, and no change in one, New England.

Electric Output 3.2% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Sept. 23, was estimated at 15,025,000,000 kwh., according to the Edison Electric Institute. Output was 844,000,000 kwh. below that of the previous week's total of 15,869,000,000 kwh. and 469,000,000 kwh., or 3.2% above that of the comparable 1960 week.

Lumber Shipments Were 23.8% Ahead of 1960 Volume

Lumber production in the United States in the week ended Sept. 16, totaled 228,684,000 board feet compared with 194,810,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 234,178,000 board feet.

Compared with 1960 levels output dropped 2.3%, shipments rose 23.8% and orders gained seventenths of 1%.

Following are the figures in thousands of board feet for the weeks indicated:

	Sept. 16 1961	Sept. 9 1961	Sept. 17 1960
Production	228,684	194,810	234,178
Shipments	225,610	198,623	182,250
Orders	215,964	188,817	214,363

Freight Car Loadings in Week Ended Sept. 16, a 15.9% Increase Above Preceding Week

Loading of revenue freight in the week ended Sept. 16, totaled 594,338 cars, the Association of American Railroads announced. This was an increase of 81,612 cars or 15.9% above the preceding week, which included the Labor Day holiday.

The loadings represented a decrease of 4,403 cars or seventenths of 1% below the corresponding week in 1960, but an increase of 16,881 cars or 2.9% above the corresponding week in 1959 (during the steel strike).

There were 9,801 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Sept. 9, 1961 (which were included in that week's over-all total). This was an increase of 845 cars or 9.4% above the corresponding week of 1960 and an increase of 2,488 cars or 34.0% above the 1959 week.

Cumulative piggyback loadings for the first 36 weeks of 1961 totaled 394,936 for an increase of 15,694 cars or 4.1% above the corresponding period of 1960 and 113,129 cars or 40.1% above the corresponding period in 1959. There were 58 class I U. S. railroad systems originating this type traffic in the current week compared with 55 one year ago and 50 in the corresponding week in 1959.

Intercity Truck Tonnage in Week Ending Sept. 16, Was Less Than 1% of the Corresponding Week in 1960

Intercity truck tonnage in the week ended Sept. 16, was less than 1%—or 0.3% ahead of the volume in the corresponding week of 1960, the American Trucking Associations, Inc., announced on Sept. 22. However, truck tonnage during the post-holiday week was 17.5% ahead of the previous week of this year. The week-to-week increase approximated that found in previous years for the week following that of the Labor Day holiday.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

The terminal survey for last week showed increased tonnage from a year ago at 19 localities. Fifteen points reflected tonnage decreases from the 1960 level. Truck terminals at Omaha, New Orleans, Salt Lake City, Charlotte, and Buffalo showed increases greater than 10%. Virtually all terminals in the Omaha area experienced increases in tonnage movements, with one terminal reporting the "best week in history." This accounted for the unusual increase of 44.8% over last year. Truck terminals at four centers reflected decreases of 10% or more.

Compared to the immediately preceding week, all 34 reporting metropolitan areas registered increased tonnage from the previous week.

Wholesale Commodity Price Index Up From Prior Week

Continuing to rise last week, the general wholesale commodity price level reached a new high for the year of 275.64 last Thursday but eased off slightly this Monday. It remained considerably above its year ago level, however. Fractional increases in price occurred in some 10 commodities, with the most substantial rises in

wheat and rye. Lower prices were quoted for only four: corn, oats, lard and coffee.

The daily wholesale commodity price index came to 275.36 (1930-32=100) on Monday, Sept. 25, up from 274.97 on the corresponding day a week ago and considerably higher than last year's level of 267.47.

Wholesale Food Price Index Dips Below Last Year and Year Ago

After edging up for two weeks, the wholesale food price index, compiled by Dun & Bradstreet, Inc., dipped in the latest week and fell moderately lower than in the comparable period last year. On Sept. 26, the index was off fractionally, 0.7% to \$5.95 from \$5.99 in the prior week and was down 1.5% from \$6.04 in the similar week a year ago.

Foods quoted lower in price were oats, bellies, lard, butter, cottonseed oil, cocoa, and hogs. These declines offset increases in prices paid at wholesale for wheat, corn, rye, sugar, eggs, prunes, steers and milk.

The Dun & Bradstreet, Inc. wholesale food price index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Purchases Again Downed By Weather

Consumer buying, by turns wilted by heat and buffeted by storms, continued to drop in the week ended Wednesday, Sept. 20. Although retail activity picked up on the weekend with the improved weather, there was another dip early this week occasioned by the religious holidays and an impending hurricane. Over-all volume fell considerably below last year's level. Regionally, there was only one bright spot, the West Coast. All lines of retailing felt the decline—both women's and men's wear, home furnishings, and hardware. Automobile sales are falling to the lowest level so far this year. The total dollar volume of re-

tail trade in the week ending on Sept. 20 ranged from 2% to 6% lower than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1960 levels by the following percentages: Pacific +5 to +9; Mountain -1 to +3; East South Central -2 to +2; New England -1 to -5; West North Central -2 to -6; South Atlantic and West South Central -3 to -7; East North Central -4 to -8; Middle Atlantic -6 to -10.

Nationwide Department Store Sales Were Unchanged Over The 1960 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Sept. 16, 1961, were unchanged compared with the like period last year. For the week ended Sept. 9, sales were down 1% over last year. The four-week period ended Sept. 16, 1961, sales advanced 2% over last year.

According to the Federal Reserve System, department store sales in New York City for the week ended Sept. 16 were 6% lower than the same period last year. In the preceding week ended Sept. 9, sales were 5% lower than the same period last year. For the four weeks ending Sept. 16, a 1% decrease was reported below the 1960 period, while from Jan. 1 to Sept. 16, a 1% increase over sales in the comparable period of 1960 was recorded.

Blyth Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Durno Chambers Jr. has been added to the staff of Blyth & Co., Inc., 75 Federal St. He was formerly with Townsend, Dabney & Tyson.

Now With Tucker, Anthony

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—James E. Hoy is now with Tucker, Anthony & R. L. Day, 74 State Street. He was previously with B. J. Van Ingen & Co., Inc.

THE OVER-THE-COUNTER MARKET ISSUE

Will Be Published October 5, 1961

★ The 1961 Fall edition of our OVER-THE-COUNTER MARKET ISSUE will present an up-to-date resume of the securities traded in the world's largest market.

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Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago		Latest Month	Previous Month	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:						BANK DEBITS—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Month of August (000's omitted)			
Inaugurated steel operations (per cent capacity)	Sept. 29	72.5	69.5	69.4	54.7		\$255,536,000	\$247,657,000	\$241,771,000
Equivalent to—						BUSINESS FAILURES—DUN & BRADSTREET, INC.—Month of August:			
Steel ingots and castings (net tons)	Sept. 29	2,114,000	2,032,000	2,030,000	1,558,000	Manufacturing number	260	223	228
AMERICAN PETROLEUM INSTITUTE:						Wholesale number	164	112	121
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Sept. 15	7,110,660	7,050,910	7,073,060	6,847,860	Retail number	789	633	621
Crude runs to stills—daily average (bbls.)	Sept. 15	7,241,000	8,437,000	8,339,000	8,083,000	Construction number	262	196	217
Gasoline output (bbls.)	Sept. 15	26,218,000	30,272,000	30,026,000	29,365,000	Commercial service number	129	111	128
Kerosene output (bbls.)	Sept. 15	2,188,000	2,965,000	2,583,000	2,567,000	Total number	1,604	1,275	1,315
Distillate fuel oil output (bbls.)	Sept. 15	11,931,000	13,654,000	14,212,000	13,181,000	Manufacturing liabilities	\$26,175,000	\$14,881,000	\$33,097,000
Residual fuel oil output (bbls.)	Sept. 15	5,651,000	5,796,000	5,642,000	5,711,000	Wholesale liabilities	13,060,000	9,251,000	8,127,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—						Retail liabilities	29,384,000	27,304,000	22,556,000
Finished and unfinished gasoline (bbls.) at	Sept. 15	187,719,000	191,207,000	193,621,000	189,448,000	Construction liabilities	27,716,000	13,786,000	27,874,000
Kerosene (bbls.) at	Sept. 15	35,300,000	35,529,000	32,801,000	34,704,000	Commercial service liabilities	6,358,000	3,946,000	5,940,000
Distillate fuel oil (bbls.) at	Sept. 15	160,855,000	157,562,000	141,635,000	162,773,000	Total liabilities	\$102,693,000	\$69,168,000	\$97,594,000
Residual fuel oil (bbls.) at	Sept. 15	49,430,000	49,632,000	48,943,000	47,633,000	BUSINESS INCORPORATIONS (NEW) IN THE UNITED STATES—DUN & BRADSTREET, INC.—Month of August:			
ASSOCIATION OF AMERICAN RAILROADS:							15,079	*14,483	15,028
Revenue freight loaded (number of cars)	Sept. 16	594,338	512,726	595,154	598,716	CASH DIVIDENDS—PUBLICLY REPORTED BY U. S. CORPORATIONS—U. S. DEPT. OF COMMERCE—Month of August:			
Revenue freight received from connections (no. of cars)	Sept. 16	488,124	465,522	495,378	503,123	(000's omitted)	\$372,900	\$935,700	\$371,500
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:						COTTON AND LINTERS—DEPARTMENT OF COMMERCE—RUNNING SALES:			
Total U. S. construction	Sept. 21	\$399,500,000	\$523,300,000	\$323,500,000	\$368,400,000	Consumed, month of July	539,575	824,144	562,020
Private construction	Sept. 21	219,000,000	254,200,000	150,300,000	194,700,000	In consuming establishments as of July 29	1,903,240	1,962,119	1,407,669
Public construction	Sept. 21	180,500,000	269,100,000	173,200,000	173,700,000	In public storage as of July 29	4,770,282	5,459,677	5,937,537
State and municipal	Sept. 21	149,000,000	240,700,000	152,200,000	140,200,000	Linters—Consumed, month of July	77,328	*132,939	78,561
Federal	Sept. 21	31,500,000	28,400,000	21,000,000	33,500,000	Stocks—July 29	470,520	*517,012	464,944
COAL OUTPUT (U. S. BUREAU OF MINES):						Cotton spindles active as of July 29	17,279,000	17,297,000	17,529,000
Bituminous coal and lignite (tons)	Sept. 16	8,770,000	*7,205,000	8,250,000	8,328,000	CROP PRODUCTION—CROP REPORTING BOARD U. S. DEPT. OF AGRICULTURE—			
Pennsylvania anthracite (tons)	Sept. 16	300,000	300,000	343,000	368,000	Crop as of Sept. 1 (in thousands):			
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE—100						Corn for grain (bushels)	3,519,500	3,352,037	3,891,212
Sept. 16	150	129	142	150		Wheat, all (bushels)	1,210,477	1,204,096	1,350,339
EDISON ELECTRIC INSTITUTE:						Winter (bushels)	1,057,540	1,057,540	1,103,895
Electric output (in 000 kwh.)	Sept. 23	15,025,000	15,869,000	15,491,000	14,556,000	All spring (bushels)	152,937	146,556	246,444
FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADSTREET, INC.						Durum (bushels)	18,547	17,906	34,105
Sept. 21	337	292	352	321		Other spring (bushels)	134,390	128,650	212,339
IRON AGE COMPOSITE PRICES:						Oats (bushels)	993,512	981,976	1,150,774
Finished steel (per lb.)	Sept. 21	6.196c	6.196c	6.196c	6.196c	Barley (bushels)	380,416	368,142	427,018
Pig iron (per gross ton)	Sept. 21	\$66.44	\$66.44	\$66.44	\$66.44	Rye (bushels)	25,867	25,867	32,491
Scrap steel (per gross ton)	Sept. 21	\$39.50	\$39.50	\$37.83	\$31.83	Flaxseed (bushels)	20,905	19,354	30,409
METAL PRICES (E. & M. J. QUOTATIONS):						Rice (100 lb. bag)	56,632	56,148	54,612
Electrolytic copper—						Sorghum grain (bushels)	480,109	454,564	608,235
Domestic refinery at	Sept. 20	30.600c	30.600c	30.600c	32.600c	Cotton (bale)	14,262	13,918	14,272
Export refinery at	Sept. 20	27.725c	28.300c	28.025c	28.775c	Hay, all (ton)	110,950	109,800	118,091
Lead (New York) at	Sept. 20	11.000c	11.000c	11.000c	12.000c	Hay, wild (ton)	8,627	8,614	10,481
Lead (St. Louis) at	Sept. 20	10.800c	10.800c	10.800c	11.800c	Hay, alfalfa (ton)	63,141	62,642	67,137
Zinc (delivered) at	Sept. 20	12.000c	12.000c	12.000c	13.500c	Hay, clover and timothy (ton)	22,741	22,282	23,943
Zinc (East St. Louis) at	Sept. 20	11.500c	11.500c	11.500c	13.000c	Hay, lespedeza (ton)	3,615	3,564	3,790
Aluminum (primary pig, 99.5%) at	Sept. 20	26.000c	26.000c	26.000c	26.000c	Beans, dry edible (cleaned) (100 lb. bag)	18,556	17,858	17,912
Straits tin (New York) at	Sept. 20	120.500c	121.500c	119.625c	102.000c	Peas, dry field (cleaned) (100 lb. bag)	3,449	3,186	3,241
MOODY'S BOND PRICES DAILY AVERAGES:						Soybeans for beans (bushels)	720,356	683,132	558,771
U. S. Government Bonds	Sept. 26	87.65	87.08	86.96	89.00	Peanuts (lb.)	1,768,125	1,688,800	1,784,116
Average corporate	Sept. 26	85.59	85.59	85.59	87.72	Potatoes:			
Aaa	Sept. 26	89.51	89.51	89.64	92.06	Winter (cwt)	4,354	4,354	3,264
Aa	Sept. 26	87.59	87.59	87.72	90.20	Early spring (cwt)	4,636	4,636	3,489
A	Sept. 26	84.68	84.68	84.68	87.05	Late spring (cwt)	26,983	26,983	26,451
Baa	Sept. 26	80.81	80.81	80.81	82.03	Early summer (cwt)	15,020	15,050	14,637
Railroad Group	Sept. 26	82.90	82.90	83.15	85.20	Late summer (cwt)	35,247	35,151	34,552
Public Utilities Group	Sept. 26	86.51	86.51	86.38	88.67	Fall (cwt)	192,199	189,555	175,042
Industrials Group	Sept. 26	87.32	87.32	87.32	89.23	Total (cwt)	278,439	275,729	257,435
MOODY'S BOND YIELD DAILY AVERAGES:						Sweet potatoes (cwt)	15,151	14,687	15,636
U. S. Government Bonds	Sept. 26	3.90	3.96	3.97	3.63	Tobacco (lb.)	1,997,200	1,986,925	1,943,487
Average corporate	Sept. 26	4.74	4.74	4.74	4.58	Sugarcane for sugar and seed (ton)	9,302	9,302	7,721
Aaa	Sept. 26	4.45	4.45	4.44	4.27	Sugar beets (ton)	18,690	18,745	16,421
Aa	Sept. 26	4.59	4.59	4.58	4.40	Eroocorn (ton)	24	23	20
A	Sept. 26	4.81	4.81	4.81	4.63	Hops (lb.)	35,942	36,675	45,976
Baa	Sept. 26	5.12	5.12	5.12	5.02	Apples, commercial crop (bushels)	125,155	125,115	108,515
Railroad Group	Sept. 26	4.95	4.95	4.93	4.77	Peaches (bushels)	77,262	74,989	74,315
Public Utilities Group	Sept. 26	4.67	4.67	4.68	4.51	Pears (bushels)	26,225	26,455	25,621
Industrials Group	Sept. 26	4.61	4.61	4.61	4.47	Grapes (ton)	3,230	3,123	2,997
MOODY'S COMMODITY INDEX						Cherries (ton)	236	236	187
Sept. 26	377.7	377.5	377.0	365.7		Apricots (ton)	191	193	243
NATIONAL PAPERBOARD ASSOCIATION:						Cranberries (barrels)	1,198	1,198	1,341
Orders received (tons)	Sept. 16	358,696	286,818	326,330	312,608	Pecans (lb.)	229,500	224,200	187,500
Production (tons)	Sept. 16	347,649	261,790	327,549	320,971	EMPLOYMENT AND PAYROLLS—U. S. DEPT. OF LABOR REVISED SERIES—Month of August:			
Percentage of activity	Sept. 16	98	76	94	93	All manufacturing (production workers)	12,057,000	*11,804,000	12,265,000
Unfilled orders (tons) at end of period	Sept. 16	563,859	549,084	515,626	412,424	Durable goods	6,682,000	*6,651,000	6,833,000
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE—100						Nondurable goods	5,375,000	*5,153,000	5,432,000
Sept. 22	113.74	114.04	114.59	109.53		Employment indexes (1947-49 ave. = 100)	97.5	*95.4	99.2
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS						All manufacturing	172.8	*169.4	169.2
Transactions of specialists in stocks in which registered—						Payroll indexes (1947-49 ave. = 100)			
Total purchases	Sept. 1	2,238,810	2,608,230	3,064,870	2,042,750	All manufacturing			
Short sales	Sept. 1	326,360	415,140	569,140	350,500	Estimated number of employees in manufacturing industries—			
Other sales	Sept. 1	1,811,050	2,117,050	2,403,210	1,736,420	All manufacturing	16,194,000	*15,932,000	16,386,000
Total sales	Sept. 1	2,137,410	2,532,190	2,972,350	2,086,920	Durable goods	9,154,000	*9,121,000	9,296,000
Other transactions initiated off the floor—						Nondurable goods	7,040,000	*6,811,000	7,090,000
Total purchases	Sept. 1	354,050	537,280	389,990	413,400	INDUSTRIAL PRODUCTION—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—1947-49—100—Month of August:			
Short sales	Sept. 1	19,700	55,560	17,200	129,050	Seasonally adjusted	113	112	108
Other sales	Sept. 1	318,290	480,800	303,300	356,050	Unadjusted	111	106	107
Total sales	Sept. 1	337,990	536,360	320,500	485,100	MONEY IN CIRCULATION—TREASURY DEPT. As of July 31 (000's omitted)			
Other transactions initiated on the floor—							\$32,500,000	\$32,400,000	\$32,000,000
Total purchases	Sept. 1	772,060	953,271	1,022,630	735,800	PERSONAL INCOME IN THE UNITED STATES (DEPARTMENT OF COMMERCE)—Month of August (in billions):			
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Securities Now in Registration

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NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

A. & E. Plastik Pak Co., Inc.

Aug. 1, 1961 ("Reg. A") 40,000 common shares (no par). Price—\$7.50. Proceeds—For equipment and working capital. Office—652 Mateo Street, Los Angeles. Underwriters—Blalack & Co., Inc., San Marino, Calif.; Harbison & Henderson, Los Angeles; May & Co., Portland, Ore., and Wheeler & Cruttenden, Inc., Los Angeles.

AMT Corp. (10/23-27)

Sept. 11, 1961 filed 230,000 common, of which 160,000 are to be offered by the company and 70,000 by a stockholder. Price—By amendment. Business—The manufacturer of scale model plastic automobiles distributed in kit form. Proceeds—For equipment, repayment of loans, and working capital. Office—1225 E. Maple Rd., Troy, Mich. Underwriter—A. G. Becker & Co., Chicago (mgr.).

Abbey Rents

Sept. 25, 1961 filed 200,000 capital shares, of which 100,000 will be sold by the company and 100,000 by stockholders. Price—By amendment. Business—Rental and sale of party, sickroom and hospital equipment. Proceeds—Expansion, inventory and working capital. Underwriter—William R. Staats & Co., Los Angeles.

Abby Vending Manufacturing Corp.

July 26, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The manufacture of coin operated vending machines. Proceeds—For moving expenses, an acquisition and working capital. Office—79 Clifton Place, Brooklyn, N. Y. Underwriter—L. H. Wright & Co., Inc., 135 Broadway, N. Y. Offering—Imminent.

Acc Trophies Corp.

Sept. 18, 1961 filed 200,000 common. Price—\$1. Business—The design, manufacture and sale of trophies, plaques and cups for sporting events. Proceeds—For production expenses, printing, promotion, inventory and working capital. Office—1510 Broadway, Brooklyn, N. Y. Underwriter—Ezra Kureen Co., N. Y.

Acratex Chemical Coatings, Inc.

Aug. 8, 1961 ("Reg. A") 99,900 common. Price—\$3. Business—The manufacture of a wallcovering product. Proceeds—For expansion and general corporate purposes. Office—Easton St., Ronkonkoma, N. Y. Underwriter—Tyche Securities Inc., N. Y.

Acro Electronic Products Co.

July 17, 1961 filed 100,000 class A common shares. Price—\$4. Business—The manufacture of transformers for electronic and electrical equipment. Proceeds—For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. Office—369 Shurs Lane, Philadelphia. Underwriter—Roth & Co., Inc., Philadelphia.

A-Drive Auto Leasing System, Inc.

Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. Price—\$10 per share. Business—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. Proceeds—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. Office—1616 Northern Boulevard, Manhasset, N. Y. Underwriter—Hill, Darlington & Grimm, N. Y. C. (mgr.).

Adrian Steel Co.

Sept. 11, 1961 ("Reg. A") 100,000 common. Price—\$2.50. Business—Steel fabricating and warehousing. Proceeds—To establish a new industrial air conditioner division. Office—Adrian, Mich. Underwriter—Morrison & Frumin, Inc., Detroit.

Advanced Electronics Corp.

May 31, 1961 ("Reg. A") 150,000 class A shares (par 10 cents). Price—\$2. Business—Designs and manufactures radio telemetry systems, frequency filters and power supplies for the missile, rocket and space programs. Proceeds—For research and development, equipment, repayment of loans and working capital. Office—2 Commercial St., Hicksville, N. Y. Underwriter—Edward Hindley & Co., and Hardy & Hardy, N. Y. C.

Advanced Investment Management Corp.

July 11, 1961 ("Reg. A") 100,000 common shares (par 25 cents). Price—\$3. Proceeds—For purchase of furniture, reserves and working capital. Office—No. 15 Village Shopping Center, Little Rock, Ark. Underwriter—Affiliated Underwriters, Inc., 1321 Lincoln Ave., Little Rock.

Aero-Dynamics Corp.

Aug. 7, 1961 filed 100,000 common shares. Price—\$5. Business—The importation and distribution of Italian marble and mosaic tiles. Proceeds—For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. Office—250 Goffle Road, Hawthorne, N. J. Underwriters—Cambridge Securities, Inc. and Edward Lewis Co., Inc., N. Y.

Aero Fidelity Acceptance Corp. (10/16-20)

July 11, 1961 ("Reg. A") 100,000 common shares (par five cents). Price—\$3. Proceeds—For repayment of loans, purchase of notes and equipment. Office—185 Walton Ave., N. W., Atlanta, Ga. Underwriters—T. Michael McDarby & Co., Inc., and J. Morris Anderson & Associates, Inc., both of Washington, D. C.

Aero Space Electronics, Inc. (10/16-20)

July 17, 1961 ("Reg. A") 80,000 capital shares. Price—\$3. Proceeds—For repayment of debt and working capital. Office—2036 Broadway, Santa Monica, Calif. Underwriter—Hamilton Waters & Co., Inc., Hempstead, N. Y.

Aerological Research, Inc.

Aug. 29, 1961 filed 100,000 common. Price—\$3.50 Business—The manufacture of instruments for aerology, meteorology, oceanography, geophysics and atmospheric phenomenon. Proceeds—For working capital. Office—420 Division St., Long Branch, N. J. Underwriter—A. D. Gilhart & Co., Inc., N. Y.

Aetna Maintenance Co.

Sept. 25, 1961 filed 154,000 common, of which 128,000 are to be offered by the company and 26,000 by stockholders. Price—By amendment. Business—Furnishing of cleaning and protection services for office buildings, plants, and military bases. Proceeds—To repay loans and increase working capital. Office—526 S. San Pedro St., Los Angeles. Underwriter—Schwabacher & Co., San Francisco.

Air Master Corp. (10/23)

May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and sale of aluminum storm windows and doors, and other aluminum products. Proceeds—For working capital, and other corporate purposes. Office—20th Street, and Allegheny Avenue, Philadelphia, Pa. Underwriter—Francis I. du Pont & Co., New York City (managing).

Airbalance, Inc.

July 17, 1961 ("Reg. A") 60,000 common shares (par five cents). Price—\$5. Office—2046 E. Lehigh Ave., Philadelphia. Underwriter—A. Sussel Co., 1033 Chestnut St., Philadelphia.

Airtronics International Corp. of Florida

June 29, 1961 filed 199,000 common shares of which 110,000 shares are to be offered by the company and 89,000 shares by stockholders. Price—By amendment. Business—The manufacture of electronic, mechanical and components. Proceeds—For repayment of loans, expansion and working capital. Office—6900 West Road 84, Fort Lauderdale, Fla. Underwriters—Stein Bros. & Boyce, Baltimore & Vickers, MacPherson & Warwick, Inc. (mgr.). Offering—Expected in late October.

Aksman (L. J.) & Co., Inc.

July 28, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3. Business—A mechanical contractor in design and installation of heating, ventilating and air conditioning systems. Proceeds—For moving, purchase of machinery and equipment, inventory, repayment of loans and working capital. Office—1425 Utica Avenue, Brooklyn 3, N. Y. Underwriters—Rothenberg, Heller & Co., Inc. and Carroll Co., New York.

Alaska Honolulu Co.

July 24, 1961 filed 1,600,000 common shares and oil leases on 400,000 acres to be offered in 625 units each consisting of 640 acres and 2,560 shares. Price—\$2,560 per unit. Business—The exploration and development of oil and gas properties in Alaska. Proceeds—For general corporate purposes. Office—120 S. Third St., Las Vegas, Nev. Underwriter—None.

Albert Voigt Industries, Inc.

Aug. 29, 1961 filed 80,000 common. Price—\$4. Business—The manufacture of metal store fixtures, show cases and related items. Proceeds—For repayment of loans, working capital, a leasehold improvement and moving expenses. Office—14-20 Dunham Pl., Brooklyn, N. Y. Underwriter—David Barnes & Co., Inc., N. Y. C.

Al-Crete Corp.

Sept. 20, 1961 filed 127,000 class A common. Price—\$3. Business—Development and manufacture of a new variety of building products. Proceeds—For construction of a new plant. Office—4800 Baltimore Ave., Hyattsville, Md. Underwriter—Whitehall Securities Corp., Pittsburgh.

All-American Airways, Inc. (10/2-6)

Aug. 24, 1961 ("Reg. A") 75,000 common. Price—\$4. Proceeds—For the purchase of aircraft, inventory, advertising and working capital. Office—2 Main St., Ridgefield, Conn. Underwriter—Edward Lewis Co., Inc., N. Y.

All Service Life Insurance Co.

Sept. 18, 1961 ("Reg. A") 239,200 common. Price—\$1.25. Business—Writing of life, accident, sickness and health insurance. Office—1729 N. Weber St., Colorado Springs, Colo. Underwriter—Copley & Co., Colorado Springs, Colo.

All Star World Wide, Inc. (10/23-27)

July 7, 1961 filed \$250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. Price—For debentures, at par; for stock, \$5. Business—Joint venture with Brunswick Corp. to establish and operate bowling centers in Europe. Proceeds—For expansion and general corporate purposes. Office—100 W. Tenth St., Wilmington, Del. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing).

Allied Metals Co.

Sept. 11, 1961 ("Reg. A") 100,000 class A common. Price—\$1. Business—Research and development on powdered metals. Office—3250 Broadway S.E., Albuquerque, New Mex. Underwriter—None.

Allen Organ Co.

Aug. 30, 1961 filed 140,000 class B (non-voting) common, of which 37,000 shares are to be offered by the company and 103,000 by the stockholders. Price—By amendment. Business—The manufacture of electronic organs. Proceeds—For repayment of a loan, redemption of outstanding preferred, working capital and expansion. Address—Macungie, Pa. Underwriters—Drexel & Co., Philadelphia, and Warren W. York & Co., Allentown, Pa. (mgrs.)

Allied Research Associates, Inc.

Sept. 8, 1961 filed \$812,500 of 5% subordinated notes due 1966 and 487,500 common to be offered for public sale in units, each consisting of a \$25 note and 15 shares. Price—\$40 per unit. Business—Research, development and instrumentation in a variety of scientific fields. Proceeds—For the repayment of debt and working capital. Office—43 Leon St., Boston. Underwriter—Smith, Barney & Co. Inc., N. Y.

Allied Stores Corp.

Aug. 4, 1961 filed \$27,006,200 of convertible subordinated debentures due Oct. 1, 1981 being offered for subscription by stockholders on the basis of \$100 of debentures for each 10 shares held of record Sept. 22 with rights to expire Oct. 9. Price—102%. Business—The operation of department stores. Proceeds—For general corporate purposes. Office—401 Fifth Ave., N. Y. Underwriter—Lehman Brothers, N. Y. (mgr.).

Alpine Geophysical Associates, Inc. (10/23-27)

July 28, 1961 filed 150,000 common shares. Price—By amendment. Business—The conducting of marine and land geophysical surveys for petroleum and mining exploration and engineering projects, and the manufacture of oceanographic and geophysical apparatus. Proceeds—For repayment of debt and general corporate purposes. Office—55 Oak St., Norwood, N. J. Underwriter—S. D. Fuller & Co., New York (managing).

Alson Mfg. Co.

Aug. 28, 1961 ("Reg. A") 75,000 common. Price—\$4. Proceeds—For equipment, repayment of loans and working capital. Office—2690 N. E. 191st St., Miami, Fla. Underwriter—Albion Securities Co., Inc., N. Y.

Amcrete Corp.

May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price—\$4 per share. Business—The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. Proceeds—For building test pools; advertising, inventory and working capital. Office—102 Mamaroneck Ave., Mamaroneck, N. Y. Underwriter—Vincent Associates, Ltd., 217 Broadway, N. Y.

Amerel Mining Co. Ltd.

July 31, 1961 filed 400,000 common shares. Price—50 cents. Business—The company is engaged in exploration, development and mining. Proceeds—For diamond drilling, construction, exploration and general corporate expenses. Office—80 Richmond St., W., Toronto. Underwriter—E. A. Manning, Ltd., Toronto.

Amerford International Corp.

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$3.50. Business—International air and ocean freight forwarding. Proceeds—For expansion, advertising and working capital. Office—80 Wall St., New York. Underwriters—V. S. Wickett & Co., Inc., and Thomas, Williams & Lee, Inc., New York.

American Automatic Vending Corp.

Aug. 15, 1961 filed 270,000 common shares. Price—By amendment. Business—The sale of merchandise through vending machines. Proceeds—For the repayment of debt

Continued on page 32

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Continued from page 31

and other corporate purposes. **Office**—7501 Carnegie Ave., Cleveland, O. **Underwriter**—McDonald & Co., Cleveland.

American Data Machines, Inc.

Aug. 17, 1961 filed 150,000 common shares. **Price**—\$4.50. **Business**—The manufacture of data processing equipment. **Proceeds**—For repayment of loans, new products, advertising, engineering, new machine tools, working capital and general corporate purposes. **Office**—7 Commercial St., Hicksville, N. Y. **Underwriters**—Amos Treat & Co., Inc. and Golkin Bomback & Co., N. Y. C. (mgr.).

American Distilling Co.

Sept. 14, 1961 filed \$9,551,900 of subordinated debentures due Nov. 1, 1986 (convertible until 1971) to be offered for subscription by common stockholders on the basis of \$100 of debentures for each 10 shares held. **Price**—By amendment. **Business**—The distilling and marketing of alcoholic beverages including bourbon, whiskies, vodkas and gins. **Proceeds**—For the prepayment of debt, and working capital. **Office**—150 E. 42nd St., N. Y. **Underwriter**—Blyth & Co., Inc., N. Y.

American Electronic Laboratories, Inc.

May 26, 1961 filed 10,632 shares of class A common stock to be offered for subscription by stockholders at the rate of one new share for each 10 shares held. **Price**—To be supplied by amendment. **Business**—The company is engaged in research and development in the field of electronic communication equipment. **Proceeds**—For construction, new equipment, and other corporate purposes. **Office**—121 North Seventh Street, Philadelphia. **Underwriter**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa. **Offering**—Imminent.

American Finance Co., Inc.

April 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one \$200 debenture, 30 common shares and 10 warrants. **Price**—\$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office**—1472 Broadway, New York City. **Underwriter**—Lomasney, Loving & Co., New York City.

American & Foreign Power Co., Inc.

Sept. 18, 1961 filed 240,000 common. **Price**—By amendment. **Proceeds**—For the selling stockholder, Electric Bond & Share Co. **Office**—100 Church Street, N. Y. **Underwriters**—Lazard Freres & Co., and First Boston Corp., New York.

American Heritage Publishing Co., Inc. (10/17)

Aug. 18, 1961 filed 140,000 common shares, of which 75,000 shares are to be offered by the company and 65,000 shares by stockholders. **Price**—By amendment. **Business**—Magazine and book publishing. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—551 Fifth Ave., New York. **Underwriter**—White, Weld & Co., New York (managing).

American Micro Devices, Inc.

Aug. 2, 1961 filed 1,500,000 class A common shares. **Price**—\$1.15. **Business**—The manufacture of electronic components. **Proceeds**—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis. **Offering**—Expected in late November.

American Precision Industries, Inc. (10/9-13)

Aug. 18, 1961 filed 158,000 common shares, of which 115,000 shares are to be offered by the company and 33,000 shares by stockholders. **Price**—By amendment. **Business**—The machining and fabrication of components and assemblies from steel, aluminum and certain alloys and other metals. **Proceeds**—For a new plant and equipment, research and development, repayment of debt and working capital. **Office**—3901 Union Rd., Buffalo. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

American Real Estate Investment Fund

Sept. 11, 1961 ("Reg. A") 27,250 shares of Beneficial Interest. **Price**—\$10. **Business**—Acquisition of passive real estate investments. **Office**—404 N. Roxbury Dr., Beverly Hills, Calif. **Underwriter**—None.

American Realty Trust

July 25, 1961 filed 500,000 shares of beneficial interests. **Price**—\$10. **Business**—A real estate investment company. **Office**—608 Thirteenth St., N. W., Washington, D. C. **Underwriter**—Stifel, Nicolaus & Co., Inc., St. Louis.

American Self Service Stores, Inc.

Aug. 11, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The operation of self-service shoe stores. **Proceeds**—For repayment of loans and expansion. **Office**—1908 Washington Avenue, St. Louis. **Underwriter**—Scherck, Richter Co., St. Louis.

American Sports Plan, Inc.

June 29, 1961 filed 200,000 common shares. **Price**—\$6. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—473 Winter Street, Waltham, Mass. **Underwriter**—None.

American Technical Machinery Corp.

Aug. 29, 1961 filed 95,000 common, of which 65,000 are to be offered by the company and 30,000 by stockholders. **Price**—By amendment. **Business**—The manufacture of machinery for fabrication of twisted wire brushes. **Proceeds**—For equipment, repayment of loans and working capital. **Office**—29-31 Elm Ave., Mt. Vernon, N. Y. **Underwriter**—M. L. Lee & Co., Inc., N. Y. C. (mgr.).

American Variety Stores, Inc.

Aug. 33, 1961 filed 100,000 common. **Price**—\$4.50. **Business**—The operation of retail discount variety stores. **Proceeds**—For repayment of loans, equipment, and working capital. **Office**—Cleveland at Passaic, Fort Myers, Fla. **Underwriter**—Netherlands Securities Co., Inc., N. Y. (mgr.).

Amity Corp.

Jan. 17, 1961 filed 88,739 shares of common stock (par \$1). **Price**—\$3 per share. **Business**—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. **Proceeds**—For general corporate purposes, including \$170,000 for construction and \$12,000 for debt reduction. **Office**—Equitable Building, Baltimore, Md. **Underwriter**—Karen Securities Corp., New York City. **Note**—This statement is expected to be refilled.

Amphicar Corp. of America

June 15, 1961 filed 100,000 common shares. **Price**—\$5. **Business**—The manufacture of amphibious automobiles. **Proceeds**—To establish a parts depot in Newark, N. J., set up sales and service organizations, and for working capital and general corporate purposes. **Office**—660 Madison Ave., New York. **Underwriter**—J. J. Krieger & Co., New York.

Anderson New England Capital Corp.

July 21, 1961 filed 400,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—150 Causeway Street, Boston. **Underwriter**—Putnam & Co., Hartford, Conn. (mgr.). **Offering**—Expected in late Oct.

Animal Insurance Co. of America (10/2-6)

June 29, 1961 filed 40,000 common shares. **Price**—\$15.50. **Business**—The insuring of animals, primarily race horses, trotters and pacers. **Proceeds**—For expansion and general corporate purposes. **Office**—92 Liberty St., New York. **Underwriter**—Bernard M. Kahn & Co., Inc., New York (managing).

Anodyne, Inc.

June 20, 1961 filed \$625,000 of 5% convertible subordinated debentures, 156,250 common shares reserved for issuance on conversion of the debentures and 5-year warrants to purchase 125,000 common shares to be offered in 6,250 units, each consisting of \$100 of debentures and warrants to purchase 20 shares. The units will be offered for subscription by common stockholders on the basis of one unit for each 100 common shares held. **Price**—\$100 per unit. **Proceeds**—For expansion and working capital. **Office**—1270 N. W. 165th St., North Miami Beach, Fla. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., New York.

Apache Realty Corp. (10/23-27)

March 31, 1961 filed 1,000 units in the First Apache Realty Program. **Price**—\$5,000 per unit. **Business**—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. **Proceeds**—For investment. **Office**—523 Marquette Ave., Minneapolis, Minn. **Underwriter**—Blunt Ellis & Simmons, Chicago (managing).

Apex Thermoplastics, Inc.

Aug. 29, 1961 filed 150,000 common. **Price**—\$2.40. **Business**—The manufacture of thermoplastic compounds for resale to other manufacturers. **Proceeds**—For equipment, sales and advertising and working capital. **Office**—395 Smith St., Brooklyn, N. Y. **Underwriter**—Continental Bond & Shares Corp., Maplewood, N. J.

Aqua-Lectric, Inc.

June 19, 1961 filed 1,000,000 common shares. **Price**—\$1.15. **Business**—The marketing of an electric hot water heating system. **Proceeds**—For inventory, salaries, advertising and promotion, and working capital. **Office**—1608 First National Bank Building, Minneapolis. **Underwriter**—M. H. Bishop & Co., Minneapolis. **Note**—This registration was withdrawn.

Architectural Marble Co.

Aug. 28, 1961 filed 100,000 common. **Price**—\$3.50. **Business**—The cutting, designing, polishing and installing of marble products. **Proceeds**—For plant expansion, inventory and working capital. **Office**—4425 N. E. Sixth Terrace, Oakland Park, Ft. Lauderdale, Fla. **Underwriter**—J. J. Bruno & Co., Inc., Pittsburgh.

Arista Truck Renting Corp.

Aug. 2, 1961 filed 100,000 common. **Price**—\$5. **Business**—Renting of trucks in the New York City area. **Proceeds**—Repayment of loans, purchase of equipment, working capital and general corporate purposes. **Office**—285 Bond St., Brooklyn, N. Y. **Underwriter**—None.

Arizona Color Film Processing Laboratories, Inc.

March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. **Price**—22 cents per share. **Business**—The processing of black and white and color film. **Proceeds**—To repay loans and for working capital. **Office**—2 North 30th Street, Phoenix, Ariz. **Underwriter**—None.

Armoflex Chemical Corp.

Sept. 18, 1961 ("Reg. A") 150,000 common. **Price**—\$2. **Business**—Manufacture of chemical products used for painting, waterproofing, caulking, etc. **Proceeds**—Sales promotion, research and development, inventory expansion and working capital. **Office**—1100 N. E. 125th St., North Miami, Fla. **Underwriter**—Fairfax Investment Corp., Washington, D. C.

Associated Products, Inc. (10/23-27)

Aug. 25, 1961 filed 359,000 common, of which 175,000 are to be offered by the company and 184,000 by stockholders. **Price**—\$17. **Business**—The manufacture of dog and cat food, cosmetics, drug items and toiletries. **Proceeds**—For repayment of loans and working capital. **Of-**

ice—445 Park Ave., N. Y. C. **Underwriters**—Allen & Co., N. Y. C. and A. C. Allyn & Co., Chicago (co-mgrs.).

Astrodata, Inc.

Aug. 28, 1961 filed 825,000 shares of capital stock, of which 200,000 will be offered for public sale and 625,000 will be offered for subscription by stockholders of Epsco, Inc., parent, on the basis of one new share for each Epsco share held. **Price**—By amendment. **Business**—The manufacture of electronic data handling equipment, range timing devices and standard electronic products. **Proceeds**—For repayment of loans and working capital. **Office**—240 E. Palais Rd., Anaheim, Calif. **Underwriters**—Granbery, Marache & Co., N. Y. C. and William R. Staats & Co., Los Angeles.

Atlantic Capital Corp.

Aug. 29, 1961 filed 500,000 common. **Price**—\$12.50. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—744 Broad St., Newark, N. J. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y. C. **Offering**—Expected in late October.

★ Atlantic City Electric Co. (11/2)

Sept. 22, 1961 filed 200,000 common. **Price**—By amendment. **Proceeds**—Prepayment of debt and construction. **Office**—1600 Pacific Ave., Atlantic City, N. J. **Underwriters**—Eastman Dillon, Union Securities & Co. and Smith, Barney & Co., N. Y.

Atlantic Improvement Corp. (10/16-20)

Aug. 30, 1961 filed 150,000 common. **Price**—By amendment. **Business**—The development of residential communities. **Proceeds**—Repayment of a loan and construction, general corporate purposes. **Office**—521 Fifth Ave., N. Y. **Underwriters**—Bear, Stearns & Co., and Finkle & Co., N. Y. (mgrs.).

Atmospheric Controls, Inc.

Aug. 22, 1961 ("Reg. A") 40,000 common. **Price**—\$3.50. **Proceeds**—For repayment of loans, acquisition and working capital. **Office**—715 N. Fayette St., Alexandria, Va. **Underwriter**—First Investment Planning Co., Washington, D. C. **Offering**—Expected in late November.

Atmotron, Inc.

July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—\$1.15. **Proceeds**—For general corporate purposes. **Office**—5209 Hanson Court, Minneapolis. **Underwriter**—J. P. Penn & Co., Inc., Minneapolis.

Authenticolor Inc.

Aug. 29, 1961 filed 148,200 common, of which 136,800 are to be offered by the company and 11,400 by stockholders. **Price**—\$3.25. **Business**—The furnishing of photographic service for the professional market. **Proceeds**—For working capital and repayment of loans. **Office**—525 Lexington Ave., N. Y. C. **Underwriter**—General Economics Corp., N. Y. C.

Automata International, Inc.

Aug. 22, 1961 ("Reg. A") 300,000 common. **Price**—\$1. **Proceeds**—For tooling, equipment and working capital. **Office**—241 S. Robertson Blvd., Beverly Hills, Calif. **Underwriter**—Pacific Coast Securities Co., San Fran. **Offering**—Expected in mid-October.

Automated Building Components, Inc. (10/2-6)

July 28, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of metal conductor plates used in the prefabrication of wooden roof trusses and the manufacture of jigs and presses from which the plates are made. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—7525 N. W. 37th Avenue, Miami. **Underwriters**—Winslow, Cohu & Stetson; Laird, Bissell & Meeds, N. Y. C.

Automated Gift Plan, Inc.

June 12, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Manufacture and sale of "Gift Bookards" designed to provide simplified gift giving for business and industry. **Proceeds**—For advertising, sales promotion, repayment of loans, working capital and the establishment of national dealerships. **Office**—80 Park Ave., N. Y. **Underwriter**—J. Laurence & Co., Inc., N. Y.

Automated Sports Centers, Inc.

June 28, 1961 filed 1,750 units, each consisting of one \$400 principal amount debenture (with attached warrants) and 120 common. **Price**—\$1,000 per unit. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, acquisition of a warehouse and working capital. **Office**—11459 E. Imperial Hwy., Norfolk, Calif. **Underwriter**—Holton, Henderson & Co., Los Angeles. **Note**—The company formerly was named Union Leagues, Inc.

★ Autrol Corp.

Sept. 13, 1961 ("Reg. A") 60,000 common. **Price**—\$2.50. **Business**—Manufacture of automatic vending machines and related equipment. **Office**—1649 Vine St., Denver, Colo. **Underwriter**—Schmidt, Sharp, McCabe & Co., Inc., Denver, Colo.

Avemco Finance Corp.

Aug. 15, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The retail financing of time sales to consumers and the financing of dealer sales of aircraft and related equipment. **Proceeds**—For the repayment of debt. **Office**—8645 Colesville, Rd., Silver Spring, Md. **Underwriters**—Sterling, Grace & Co., New York and Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

BSF Company

June 30, 1961 filed \$2,500,000 of 5% convertible subordinated debentures due 1966. **Price**—At par. **Proceeds**—To repay debt and as a reserve for possible acquisitions. **Office**—818 Market St., Wilmington, Del. **Underwriter**—None.

Babcock Electronics Corp. (10/2-6)

Aug. 11, 1961 filed 300,000 capital shares, of which 50,000 shares are to be offered by the company and 250,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic units for remote con-

trol of aircraft. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1640 Monrovia Avenue, Costa Mesa, Calif. **Underwriters**—Blyth & Co., Inc., New York and Schwabacher & Co., San Francisco (managing).

• **Bargain Town, U. S. A., Inc. (10/3)**

July 27, 1961 filed 300,000 common shares, of which 200,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—\$6. **Business**—The operation of discount department stores. **Proceeds**—For the repayment of debt, and working capital. **Office**—Rockaway Turnpike, North Lawrence, L. I., N. Y. **Underwriter**—Schweickart & Co., New York (managing).

• **Barry-Martin Pharmaceuticals, Inc.**

Aug. 25, 1961 ("Reg. A") 150,000 class A common. **Price**—\$2. **Proceeds**—For packaging, advertising, repayment of loans and working capital. **Office**—4621 Ponce de Leon Blvd., Coral Gables, Fla. **Underwriter**—Edward Hindley & Co., N. Y. C.

• **Barry (R. G.) Corp.**

Sept. 21, 1961 filed 100,000 common. **Price**—\$5. **Business**—Manufacture of slippers, robes, cushions, pillows, auto-seat covers, and other specialty items. **Proceeds**—To repay debt, increase inventory and for other corporate purposes. **Office**—78 E. Chestnut St., Columbus, Ohio. **Underwriter**—Arnold Malkan & Co., N. Y.

• **Beam-Matic Hospital Supply, Inc. (10/9-13)**

July 21, 1961 filed 100,000 common shares. **Price**—\$3. **Business**—The manufacture of hospital equipment and supplies. **Proceeds**—For expansion of plant facilities, purchase of equipment, expansion of sales program, development of new products and working capital. **Office**—25-11 49th Street, Long Island City, N. Y. **Underwriter**—First Weber Securities Corp., New York.

• **Bell Television, Inc.**

Aug. 29, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The manufacture of television antenna, music and sound equipment and closed circuit television systems. **Proceeds**—For an acquisition, expansion and inventory. **Office**—552 W. 53rd St., New York 19, N. Y. **Underwriter**—Netherlands Securities Co., N. Y.

• **Berkshire Distributors, Inc.**

Sept. 14, 1961 filed 100,000 common, of which 60,000 will be sold for the company and 40,000 for certain stockholders. **Price**—By amendment. **Business**—The operation of eight discount type department stores in four states. **Proceeds**—For the repayment of debt, and working capital. **Office**—203 Ann St., Hartford, Conn. **Underwriter**—May & Gannon, Boston.

• **Best Plastics Corp.**

Sept. 26, 1961 filed 125,000 common, of which 100,000 will be sold by the company and 25,000 by stockholders. **Price**—\$3. **Business**—Manufacture of plastic novelties and party favors. **Proceeds**—New plant and equipment and working capital. **Office**—945 39th St., Brooklyn, N. Y. **Underwriter**—S. B. Cantor & Co., N. Y.

• **Bin-Dicator Co.**

Aug. 25, 1961 filed 160,932 common. **Price**—By amendment. **Business**—The manufacture of automatic control devices for handling bulk granular or pulverized materials. **Proceeds**—For the selling stockholders. **Office**—17190 Denver, Detroit. **Underwriter**—Smith, Hague & Co., Detroit.

• **Binney & Smith, Inc.**

Sept. 8, 1961 filed 171,038 common. **Price**—By amendment. **Business**—The manufacture of educational art materials. **Proceeds**—For the selling stockholders. **Office**—380 Madison Ave., N. Y. C. **Underwriter**—Lee Higginson Corp., N. Y. (mgr.). **Offering**—Expected in early November.

• **Black & Decker Manufacturing Corp. (10/11)**

Aug. 11, 1961 filed 120,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of power tools. **Proceeds**—For the selling stockholder. **Office**—Towson, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

• **Bloch Brothers Tobacco Co.**

July 3, 1961 ("Reg. A") 4,000 common shares (par \$12.50). **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—4000 Water St., Wheeling, W. Va. **Underwriter**—Fulton, Reid & Co., Inc., Cleveland.

• **Bloomfield Building Industries, Inc. (10/16-20)**

June 29, 1961 filed 300,000 class A common shares. **Price**—\$5. **Proceeds**—For advances to a subsidiary, purchase of additional land and the construction of buildings thereon. **Office**—3355 Poplar Ave., Memphis, Tenn. **Underwriter**—Lieberbaum & Co., New York.

• **Boro Electronics, Inc.**

Aug. 30, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The distribution of electronic products manufactured by others. **Proceeds**—For inventory, equipment, advertising, promotion, working capital and repayment of loans. **Office**—69-18 Roosevelt Ave., Woodside, N. Y. **Underwriter**—McLaughlin, Kaufman & Co., N. Y. **Offering**—Expected in early November.

• **Bowl-Tronics, Inc.**

Aug. 16, 1961 ("Reg. A") 100,000 common shares. **Price**—\$2.30. **Business**—The company plans to develop electronic calculators for the sports industry to record changing data. **Proceeds**—For working capital and expansion. **Office**—1319 F St., N. W., Washington, D. C. **Underwriters**—Fund Securities, Inc., Staten Island, N. Y. and Burry, de Sibour & Co., Washington, D. C. **Note**—This letter will be refiled as a full registration.

• **Bowling Internazionale, Ltd.**

June 30, 1961 filed 200,000 common shares. **Price**—\$5. **Proceeds**—For the construction or acquisition of a chain of bowling centers principally in Italy, and for expansion

Continued on page 34

NEW ISSUE CALENDAR

October 2 (Monday)

All-American Airways, Inc.	Common
(Edward Lewis Co., Inc.) \$300,000	
Animal Insurance Co. of America	Common
(Bernard M. Kahn & Co., Inc.) \$620,000	
Automated Building Components, Inc.	Common
(Winslow, Cohu & Stetson and Laird, Bissell & Meeds)	
100,000 shares	
Babcock Electronics Corp.	Capital
(Blyth & Co. and Schwabacher & Co.) 300,000 shares	
Caldor, Inc.	Common
(Ira Haupt & Co.) \$600,000	
Caressa, Inc.	Common
(Shearson, Hammill & Co.) 150,000 shares	
Charles Jacquin et Cie, Inc.	Common
(Stroud & Co., Inc.) 140,000 shares	
Clarise Sportswear Co., Inc.	Common
(Alessandrini & Co. and Hardy & Hardy) \$625,000	
Cle-Ware Industries, Inc.	Common
(Westheimer & Co.) 195,000 shares	
Color Reproductions, Inc.	Units
(William, David & Mottl, Inc.) \$283,125	
Creative Playthings, Inc.	Common
(A. G. Becker & Co., Inc. and Semple, Jacobs & Co., Inc.)	
100,000 shares	
Crowmell Business Machines	Common
(Pacific Coast Securities Co.) \$300,000	
Dynamic Gear Co., Inc.	Common
(Flomenhaf, Seidler & Co., Inc.; Lomasney, Loving & Co.)	
\$375,000	
Fairfield Controls, Inc.	Common
(First Philadelphia Corp. and Lieberbaum & Co.) \$150,000	
Fotochrome Inc.	Common
(Shearson, Hammill & Co. and Emanuel, Deetjen & Co.)	
262,500 shares	
Fotochrome Inc.	Debentures
(Shearson, Hammill & Co. and Emanuel, Deetjen & Co.)	
\$3,500,000	
Glickman Corp.	Common
(Bache & Co. and Hirsch & Co.) 600,000 shares	
Globe Rubber Products Corp.	Common
(Kidder, Peabody & Co.) 175,000 shares	
Greene (M. J.) Co.	Common
(Hess, Grant & Remington Inc.) \$300,000	
Holly Stores, Inc.	Common
(Allen & Co.) 175,000 shares	
Instrument Systems Corp.	Common
(Milton D. Blauner & Co.) \$750,000	
Intercontinental Dynamics Corp.	Common
(M. H. Woodhill Inc.) \$300,000	
Lewis (Tillie) Foods, Inc.	Common
(Van Alstyne, Noel & Co.) 400,000 shares	
MacLevy Associates, Inc.	Common
(Continental Bond & Share Corp.) \$300,000	
Medco, Inc.	Common
(Barret, Fitch, North & Co., Inc. and Midland Securities Co., Inc.) 125,000 shares	
Missile-Tronics Corp.	Common
(Hopkins, Calamari & Co., Inc.) \$227,850	
Natpac Inc.	Common
(William, David & Mottl, Inc.) \$475,000	
New Era Mining Co.	Common
(Bullock Securities Co.) \$400,000	
Panoramic Electronics, Inc.	Common
(Hayden, Stone & Co.) 120,000 shares	
Playskool Manufacturing Co.	Common
(Lehman Brothers) 135,000 shares	
Product Research of R. I., Inc.	Common
(Continental Bond & Share Corp.) \$676,500	
Public Service Co. of Colorado	Bonds
(Bids 11:30 a. m. EDST) \$30,000,000	
Real Properties Corp. of America	Class A
(Stanley Heller & Co.) \$3,650,000	
Shasta Minerals & Chemical Co.	Common
(No underwriting) \$1,250,000	
Spectron, Inc.	Common
(Hampstead Investing Corp.) \$376,875	
Theil Publication, Inc.	Common
(No underwriting) \$330,000	
Thoroughbred Enterprises, Inc.	Common
(Sandkuhl & Co., Inc.) \$340,000	
Universal Publishing & Distributing Corp.	Units
(Allen & Co.) \$750,000	
Vic Tanny Enterprises, Inc.	Common
(S. D. Fuller & Co.) 320,000 shares	
Water Industries Capital Corp.	Common
(Hornblower & Weeks) \$8,250,000	
Woodard Research Corp.	Common
(First Investment Planning Co.) \$160,000	

October 3 (Tuesday)

Bargain Town, U. S. A., Inc.	Common
(Schweickart & Co.) \$1,800,000	
California Growth Capital, Inc.	Common
(H. M. Byllesby & Co. and Birt & Co., Inc.) \$2,500,000	
Diversified Wire & Steel Corp. of America	Cl. A
(V. K. Osborne & Sons, Inc.) \$400,000	
Gulf States Utilities Co.	Debentures
(Bids 11 a. m.) \$15,000,000	
Hampton Sales Co., Inc.	Common
(Godfrey, Hamilton, Magnus & Co., Inc.) \$600,000	
Missouri Fidelity Life Insurance Co.	Common
(A. C. Allyn & Co.) 200,000 shares	
Northern Indiana Public Service Co.	Debentures
(Offering to stockholders—Bids 11 a. m. CDST) \$20,253,300	

October 4 (Wednesday)

Japan Development Bank	Bonds
(First Boston Corp.; Dillon, Read & Co.; Smith, Barney & Co., Inc.) \$20,000,000	
Liverpool Industries, Inc.	Common
(Arden Perin & Co., Inc.) \$299,950	
Tri Metal Works, Inc.	Common
(Offering to stockholders—underwritten by R. L. Scheinman & Co.) 68,000 shares	

October 6 (Friday)

Electro-Miniatures Corp.	Common
(Burnham & Co.) \$300,000	

October 9 (Monday)

Aero Fidelity Acceptance Corp.	Common
(T. Michael McDarby & Co., Inc. & J. Morris Anderson & Associates, Inc.) \$300,000	
American Precision Industries, Inc.	Common
(Eastman Dillon, Union Securities & Co.) 158,000 shares	
Beam-Matic Hospital Supply, Inc.	Common
(First Weber Securities Corp.) \$300,000	

Brinktun, Inc.	Common
(McDonald, Anderson, Peterson & Co., Inc.) \$299,250	
Charter Industries, Inc.	Common
(Standard Securities Corp.) \$400,000	
Fashion Homes Inc.	Units
(Globus, Inc., and Ross, Lyon & Co., Inc.) \$1,000,000	
Fashion Homes Inc.	Common
(Globus, Inc., and Ross, Lyon & Co., Inc.) \$244,800	
First Union Realty	Ben. Ints.
(Harriman Ripley & Co. and Hayden, Miller & Co.)	
1,060,000 shares	
Foamland U. S. A., Inc.	Common
(Finkel & Co.) \$750,000	
Girder Process, Inc.	Common
(Winslow, Cohu & Stetson) \$422,000	
Kaufman & Broad Building Co.	Common
(Bache & Co.) 174,500 shares	
Keystone Steel & Wire Co.	Debentures
(Hornblower & Weeks and Eastman Dillon, Union Securities & Co.) \$20,000,000	
Lewis & Clark Marina, Inc.	Common
(Apache Corp.) \$300,000	
Lowe's Companies, Inc.	Common
(G. H. Walker & Co., Inc.) 388,250 shares	
Micro-Precision Corp.	Common
(Manufacturers Securities Corp.; Bioren & Co.; Boenning & Co.; Chace, Whiteside & Winslow, Inc.; Draper, Sears & Co.; Schirmer, Atherton & Co.) \$300,000	
Middle Atlantic Credit Corp.	Units
(R. L. Scheinman & Co. and A. W. Benkert & Co., Inc.)	
\$300,000	
National Cleaning Contractors, Inc.	Common
(Bear, Stearns & Co.) 200,000 shares	
Old Empire, Inc.	Debentures
(Laird, Bissell & Meeds) \$800,000	
Osrow Products Co., Inc.	Common
(General Securities Co., Inc.) \$300,000	
Plasticon Corp.	Common
(No underwriting) \$1,996,998	
Raymond Engineering Laboratory, Inc.	Common
(Lee Higginson Corp.) 100,000 shares	
Southern Realty & Utilities Corp.	Units
(Hirsch & Co. and Lee Higginson Corp.) 6,280 units	
Sterling Electronics, Inc.	Common
(S. D. Fuller & Co.) 125,200 shares	
Techno-Vending Corp.	Common
(International Services Corp.) \$300,000	
Tor Education, Inc.	Capital
(F. L. Rossman & Co.) 100,000 shares	

October 10 (Tuesday)

Buffums	Common
(Lester, Ryons & Co.) 40,000 shares	
Commonwealth Theatres of Puerto Rico, Inc.	Com.
(J. R. Williston & Beane) \$1,000,000	
Interstate Fire & Casualty Co.	Common
(White, Weld & Co.) 100,000 shares	
Longs Drug Stores, Inc.	Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 190,000 shares	
Photo-Animation, Inc.	Common
(First Philadelphia Corp.) \$187,500	
Robins Industries Corp.	Common
(Carroll Co.) \$250,000	
Shelley Urethane Industries, Inc.	Common
(Garat & Polonitz, Inc.) 200,000 shares	
Southern Railway Co.	Equip. Trust Cdfs.
(Bids—12 noon EDST) \$4,200,000	
Southwestern Research & Development Co.	Com.
(Wilson, Johnson & Higgins) \$6,000,000	
U. S. Markets, Inc.	Common
(Stanley Heller & Co.) \$1,600,000	
World Wide Bowling Enterprises, Inc.	Common
(Praser & Co.) \$520,000	

October 11 (Wednesday)

Black & Decker Manufacturing Corp.	Common
(Eastman Dillon, Union Securities & Co.) 120,000 shares	

October 16 (Monday)

Aero Space Electronics	Common
(Hamilton Waters & Co.) \$240,000	
Atlantic Improvement Corp.	Common
(Bear, Stearns & Co. and Finkle & Co.) 150,000 shares	
Bloomfield Building Industries, Inc.	Common
(Lieberbaum & Co.) \$1,500,000	
Cellomatic Battery Corp.	Common
(Armstrong & Co. Inc.) \$250,000	
Cosnat Record Distributing Corp.	Common
(Amos Treat & Co.) 150,000 shares	
Dunlap & Associates, Inc.	Common
(Dominick & Dominick) 75,000 shares	
Electra-Tronics, Inc.	Common
(Jay Morton & Co., Inc.) \$180,000	
FMC Corp.	Debentures
(Kidder, Peabody & Co.) \$30,000,000	
First National Realty & Construction Corp.	Debs.
(H. Hentz & Co.) \$3,000,000	
Fram Corp.	Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 50,000 shares	
Growth Properties	Common
(Pacific Coast Securities Co.) 100,000 shares	
Hoffman International Corp.	Debentures
(Offering to stockholders underwritten by J. R. Williston & Beane) \$1,890,700	
Keller Corp.	Debentures
(Casper Rogers & Co., Inc.) \$1,200,000	
Lincoln Fund, Inc.	Common
(Horizon Management Corp.) 951,799 shares	
Lum's, Inc.	Class A
(Bayes, Rose & Co., Inc.) \$100,000	
Magazines for Industry, Inc.	Common
(S. D. Fuller & Co.) 135,000 shares	
Mairs & Power Income Funds	Common
(None) 40,000 shares	
Marshall Industries	Common
(Offering to stockholders—underwritten by William R. Staats & Co. and Shearson, Hammill & Co.) 131,305 shares	
Midwest Technical Development Corp.	Common
(Lee Higginson Corp. and Piper, Jaffray & Hopwood)	
800,000 shares	
Mobile Estates, Inc.	Common
(Harry Odzer Co.) \$840,000	
Mortgage Guaranty Insurance Co.	Common
(Bache & Co.) 155,000 shares	
Movie Star, Inc.	Class A
(Milton D. Blauner & Co., Inc.) 200,000 shares	
National Bowling Lanes, Inc.	Capital
(Edward Lewis Co., Inc.) \$825,000	

Continued on page 34

Continued from page 33

National Hospital Supply Co.	Common
(Edward Lewis Co., Inc. and Underhill Securities Corp.)	
\$300,000	
National Semiconductor Corp.	Capital Stock
(Lee Higginson Corp.) 75,000 shares	
Nuclear Corp. of America	Capital
(Bear, Stearns & Co.) 536,280 shares	
Nuclear Corp. of America	Debentures
(Bear, Stearns & Co.) \$2,087,800	
Pan-Alaska Fisheries, Inc.	Common
(Robert L. Ferman & Co.) 120,000 shares	
Pavelle Corp.	Common
(Bear, Stearns & Co.) 200,000 shares	
Pioneer Astro Industries, Inc.	Common
(Francis I. du Pont & Co.) 150,000 shares	
Precision Microwave Corp.	Common
(Peter Morgan & Co.) \$1,650,000	
Riverview ASC, Inc.	Common
(Albion Securities Co., Inc.) \$300,000	
Ro Ko, Inc.	Common
(Midland Securities Co., Inc. and George K. Baum & Co.)	
\$600,000	
Rodney Metals, Inc.	Common
(Amos Treat & Co. Inc.) \$1,400,000	
Sav-Mor Oil Corp.	Common
(Armstrong & Co. Inc.) \$230,000	
Semicon, Inc.	Common
(S. D. Fuller & Co.) 125,000 shares	
Star Industries, Inc.	Class A
(H. Hents & Co.) 415,576 shares	
Supronics Corp.	Common
(Amos Treat & Co. Inc.; Standard Securities Corp. and Bruno-Lenchner Inc.) 90,000 shares	
United Scientific Laboratories, Inc.	Common
(Continental Bond & Share Corp.) \$720,000	
Voron Electronics Corp.	Class A
(John Joshua & Co., Inc. and Reuben Rose & Co.) \$300,000	
Zep Aero	Common
(Francis J. Mitchell & Co., Inc.) 50,000 shares	

October 17 (Tuesday)

American Heritage Publishing Co., Inc.	Common
(White, Weld & Co.) 140,000 shares	
Northern Natural Gas Co.	Common
(Offering to stockholders—underwritten by Blyth & Co.)	
430,000 shares	
Oklahoma Cement Co.	Debentures
(Eastman Dillon, Union Securities & Co.) \$3,000,000	
Public Service Electric & Gas Co.	Debentures
(Bids 11 a.m. EDT) \$50,000,000	

October 18 (Wednesday)

Dynamic Toy, Inc.	Common
(Hancock Securities Corp.) \$243,000	
Georgia Power Co.	Preferred
(Bids 11 a.m. EDT) \$7,000,000	
Georgia Power Co.	Bonds
(Bids noon EDT) \$10,000,000	
Jayark Films Corp.	Common
(Pacific Coast Securities Co.) 72,000 shares	
Wisconsin Natural Gas Co.	Bonds
(Bids to be received) \$4,000,000	

October 19 (Thursday)

Union Rock & Materials Corp.	Common
(William R. Staats & Co.) 160,000 shares	

October 23 (Monday)

AMT Corp.	Common
(A. G. Becker & Co.) 230,000 shares	
Air Master Corp.	Common
(Francis I. du Pont & Co.) 200,000 shares	
All Star World Wide, Inc.	Common
(Alessandrini & Co., Inc. and Hardy & Hardy) \$750,000	

Continued from page 33

and working capital. Office—80 Wall St., New York. Underwriters—V. S. Wickett & Co., and Thomas, William, & Lee, Inc., New York City.

● Brinkun, Inc. (10/9-13)

July 28, 1961 ("Reg. A") 133,000 common shares (par 70 cents). Price—\$2.25. Proceeds—Repayment of loans and working capital. Office—710 N. Fourth Street, Minneapolis. Underwriter—McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

● Bronzini, Ltd.

Aug. 23, 1961 filed 125,000 common. Price—\$6. Business—The manufacture of men's wear accessories. Proceeds—For redemption of the 10% preferred stock, repayment of a loan, expansion and working capital. Office—720 Fifth Ave., N. Y. Underwriter—A. J. Gabriel & Co., Inc., N. Y. Offering—Expected late October.

● Buffums' (10/10)

Aug. 7, 1961 filed 40,000 common. Price—By amendment. Business—Operation of department stores in Southern California. Proceeds—General corporate purposes. Office—Pine at Broadway, Long Beach, Calif. Underwriter—Lester, Ryons & Co., Los Angeles.

● Bundy Electronics Corp.

Aug. 22, 1961 filed 100,000 common shares. Price—\$4. Business—The design, development and manufacture of electronic components for space and earth communications. Proceeds—For moving expenses, repayment of debt and working capital. Office—171 Fabyan Place, Newark. Underwriters—Lenchner, Covato & Co., Inc., Pittsburgh and Harry Odzer Co., N. Y. (co-mgr.).

● Burns (William J.) International Detective Agency, Inc.

Aug. 22, 1961 filed 175,000 class A common shares. Price—By amendment. Proceeds—For the selling stockholders. Office—101 Park Ave., New York. Underwriter—Smith, Barney & Co., Inc., New York (managing).

★ Burton Mount Corp.

Sept. 22, 1961 filed 100,000 common. Price—\$6. Business—Importation and distribution of copying machines and supplies. Proceeds—Repayment of debt, inventory, sales

All Star World Wide, Inc. Debentures

(Alessandrini & Co., Inc. and Hardy & Hardy) \$250,000

Alpine Geophysical Associates, Inc. Common

(S. D. Fuller & Co.) 150,000 shares

Apache Realty Corp. Units

(Blunt Ellis & Simmons) \$5,000,000

Associated Products, Inc. Common

(Allen & Co. and A. C. Alyn & Co.) \$6,103,000

Churchill Stereo Corp. Units

(Lieberbaum & Co.) \$378,000

Citizens Life Insurance Co. of New York Common

(A. G. Becker & Co.) 147,000 shares

Consumers Utilities Corp. Common

(Golkin, Bomback & Co.) 302,000 shares

Executive House, Inc. Units

(Bear, Stearns & Co. and Straus, Blosser & McDowell Co.)

200,000 units

Family Finance Corp. Debentures

(Goldman, Sachs & Co.) \$25,000,000

Gluckin (Wm.) Co., Ltd. Common

(Globus, Inc.) \$1,750,000

Gro-Rite Shoe, Inc. Debentures

(None) \$500,000

Handschy Chemical Co. Common

(Blunt Ellis & Simmons) 150,000 shares

Hannett Industries, Inc. Common

(Albion Securities Co., Inc.) \$300,000

Happy House, Inc. Common

(No underwriting) \$700,000

Ihnen (Edward H.) & Son, Inc. Common

(Amos Treat & Co. Inc.) \$375,000

Lido Corp. Common

(Flomenhaft, Seidler & Co.) \$273,000

Marlene Industries Corp. Common

(Bernard M. Kahn & Co., Inc.) \$1,575,000

Miner Industries, Inc. Common

(Golkin, Bomback & Co. and Oppenheimer & Co.) \$540,000

Motor Coils Manufacturing Co. Common

(Golkin, Bomback & Co.) \$650,000

Realtone Electronics Corp. Common

(Lieberbaum & Co.) \$400,000

Stouffer Corp. Debentures

(Merrill Lynch, Pierce, Fenner & Smith Inc.) \$7,500,000

Telecredit, Inc. Common

(Globus, Inc.) \$155,000

Thermo-Chem Corp. Common

(Best & Garey Co., Inc.) \$585,000

Transcontinental Investing Corp. Debentures

(Lee Higginson Corp.) \$10,000,000

Trans-Lux Corp. Common

(Bear, Stearns & Co.) 250,000 shares

Tri-State Displays, Inc. Common

(Naftalin & Co.) \$299,000

Universal Surgical Supply Inc. Common

(Dempsey-Tezeler & Co., Inc.) 200,000 shares

Warshow (H.) & Sons, Inc. Class A

(Lee Higginson Corp. and P. W. Brooks & Co., Inc.)

285,000 shares

Windsor Texprint, Inc. Common

(D. E. Liederman & Co., Inc.) \$530,000

Wonderbowl, Inc. Common

(Standard Securities Corp.) \$300,000

October 24 (Tuesday)

Niagara Mohawk Power Co. Bonds

(Bids to be received) \$10,000,000

Niagara Mohawk Power Co. Common

(Bids to be received) 700,000 shares

October 25 (Wednesday)

New England Power Co. Bonds

(Bids 11 a.m. EDT) \$20,000,000

Pickwick International, Inc. Common

(William, David & Mottl, Inc.) \$300,000

October 26 (Thursday)

Middle Atlantic Investment Co. Common

(Best & Garey Co., Inc.) \$700,000

October 27 (Friday)

Piedmont Natural Gas Co., Inc. Common

(White, Weld & Co., N. Y.) 126,832 shares

October 30 (Monday)

First Western Financial Corp. Common

(A. C. Alyn & Co.) 450,000 shares

Lincoln Liberty Life Insurance Co. Common

(Bache & Co., N. Y.) 200,000 shares

October 31 (Tuesday)

Chicago, Burlington & Quincy Equip. Trust Cfs.

(Bids to be received) \$2,400,000

November 1 (Wednesday)

Idaho Power Co. Common

(Bids to be received) 200,000 shares

Idaho Power Co. Bonds

(Bids to be received) \$10,000,000

November 2 (Thursday)

Atlantic City Electric Co. Common

(Eastman Dillon, Union Securities & Co. and Smith, Barney & Co.) 200,000 shares

Kent Dry Cleaners, Inc. Common

(Arnold Malkin & Co., Inc.) \$825,000

Pittsburgh Steel Co. Common

(Offering to stockholders—underwritten by Kuhn, Loeb & Co., Inc.) 1,110,617 shares

November 6 (Monday)

Growth, Inc. Common

(Mann & Creasy) \$300,000

Lusk Corp. Units

(Burnham & Co.) 50 units

November 13 (Monday)

Royal Land & Development Corp. Common

(Lieberbaum & Co.) \$2,000,000

November 14 (Tuesday)

Rochester Gas & Electric Corp. Bonds

(Bids 11 a.m. EST) \$15,000,000

Southern Railway Co. Equip. Trust Cfs.

(Bids to be received) \$4,200,000

Wisconsin Michigan Power Co. Bonds

(Bids to be received) \$4,000,000

November 15 (Wednesday)

Dallas Power & Light Co. Preferred

(Bids 11 a.m. EST) \$10,000,000

Pacific Northwest Bell Telephone Co. Debentures

(Bids to be received) \$50,000,000

November 16 (Thursday)

Carolina Power & Light Co. Bonds

(Bids to be received) \$25,000,000

November 21 (Tuesday)

Consolidated Edison Co. of New York, Inc. Bonds

(Bids 11 a.m. EDT) \$50,000,000

December 5 (Tuesday)

Virginia Electric & Power Co. Bonds

(Bids to be received) \$15,000,000

December 11 (Monday)

General Telephone Co. of California Bonds

(Bids to be received) \$20,000,000

March 5, 1962 (Monday)

West Penn Power Co. Bonds

(Bids to be received) \$25,000,000

promotion and other corporate purposes. Office—2147 Jericho Turnpike, New Hyde Park, N. Y. Underwriter—Reiner, Linburn & Co., N. Y.

★ Business Growth Funding Corp.

Sept. 20, 1961 filed 100,000 common. Price—\$4. Business—Making of loans to small business concerns, purchase of machinery for lease, and the providing of management counseling. Proceeds—For working capital. Office—527 Lexington Ave., N. Y. Underwriter—Morton Klein & Co., Inc., N. Y.

Cable Carriers, Inc.

March 23, 1961 filed 196,109 shares of capital stock. Price—\$1.15. Business—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. Proceeds—For working capital. Office—Kirk Boulevard, Greenville, S. C. Underwriter—To be named. Offering—Expected in late October.

● Caldor, Inc. (10/2-6)

July 27, 1961 filed 120,000 common shares. Price—\$5. Business—The operation of retail discount stores. Proceeds—For expansion and working capital. Office—69 Jefferson St., Stamford, Conn. Underwriter—Ira Haupt & Co., New York (managing).

California Growth Capital Inc. (10/3)

July 18, 1961 filed 200,000 common shares. Price—\$12.50. Business—A small business investment company. Proceeds—For investment. Office—111 Sutter St., San Francisco, Calif. Underwriters—H. M. Byllesby & Co., Inc., Chicago and Birr & Co., Inc., San Francisco.

California Real Estate Investors

Aug. 17, 1961 filed 1,000,000 shares of beneficial interest. Price—\$10. Business—Real estate investment. Office—12014 Wilshire Blvd., Los Angeles. Underwriter—Harnack, Gardner & Co., (same address) (managing).

Camp Chemical Co., Inc.

Aug. 25, 1961 filed 110,000 capital shares. Price—\$3. Business—Manufacture of sanitation chemicals. Proceeds—Advertising, additional sales personnel, inventories and accounts receivable. Office—Second Ave., and 13th St.,

Brooklyn, N. Y. Underwriter—Russell & Saxe, Inc., N. Y. C.

★ Cap & Gown Co.

Sept. 21, 1961 filed 192,400 class A common, of which 125,500 are to be offered by the company and 66,900 by stockholders. Price—By amendment. Business—Manufacture, rental, and sale of graduation caps, gowns, choir robes and related apparel. Proceeds—Plant expansion, repayment of debt and other corporate purposes. Office—100 N. Market St., Champaign, Ill. Underwriter—Kidder, Peabody & Co., Inc., N. Y.

Carboline Co.

Aug. 4, 1961 filed 100,000 common shares, of which 35,000 shares are to be offered by the company and 65,000 shares by stockholders. Price—\$5. Business—The manufacture of synthetic linings and coatings for industrial use. Proceeds—For repayment of loans, research and working capital. Office—32 Hanley Industrial Court, St. Louis. Underwriter—Reinholdt & Gardner, St. Louis.

Card Key Systems, Inc.

July 28, 1961 ("Reg. A") 60,000 common shares (no par). Price—\$5. Proceeds—For research and development, advertising equipment and working capital. Office—923 S. San Fernando Boulevard, Burbank, Calif. Underwriter—Rutner, Jackson & Gray, Inc., Los Angeles. Offering—Expected in mid-October.

Caressa, Inc. (10/2-6)

Aug. 2, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. Price—By amendment. Business—The manufacture of women's shoes. Proceeds—The company will use its share of the proceeds for expansion, the repayment of debt and for other corporate purposes. Office—5300 N. W. 37th Ave., Miami, Fla. Underwriter—Shearson, Hammill & Co., New York (managing).

Ca-van Industries, Inc.

Aug. 21, 1961 filed 275,000 capital shares. Price—By amendment. Business—The production and importation of marble and vitreous mosaic products used in the building construction field. Proceeds—For equipment, inventory, leasehold improvements, construction, repay-

ment of loans and general corporate purposes. Office—250 Vreeland Ave., Paterson, N. J. Underwriter—None.

Catamount, Inc.

Aug. 23, 1961 ("Reg. A") \$30,000 of debentures due Sept. 1, 1976, to be offered in units of \$500. Price—At par. Proceeds—For operation of a ski resort. Address—Egremont, Mass. Underwriter—Kennedy & Peterson, Inc., Hartford, Conn.

Celomatic Battery Corp. (10/16)

June 20, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$2.50. Proceeds—For repayment of debt, inventory and working capital. Office—300 Delaware Avenue, Archbald, Pa. Underwriter—Armstrong & Co., Inc., New York.

Cerro Corp.

Aug. 24, 1961 filed 350,000 common. Price—By amendment. Business—The mining, refining and smelting of nonferrous metals in Peru and the production of copper wire, brass and bronze rods, aluminum sheet and coils in the U. S. Proceeds—For general corporate purposes. Office—300 Park Ave., N. Y. C. Underwriters—Morgan Stanley & Co., and Smith, Barney & Co., Inc., N. Y. C. Offering—Expected in late October.

Challenger Products, Inc.

June 30, 1961 filed 125,000 common shares. Price—\$5. Proceeds—For the repayment of debt, purchase of new equipment, and working capital. Office—2934 Smallman St., Pittsburgh, Pa. Underwriter—Carreau & Co., N. Y.

Chandler Leasing Corp.

Sept. 26, 1961 filed 143,000 common. Price—By amendment. Business—Leasing of equipment. Proceeds—For the purchase of 20 class A common shares from a director, and working capital. Office—17 Dunster St., Cambridge, Mass. Underwriter—G. H. Walker & Co., N. Y.

Charles Jacquin et Cie, Inc. (10/2-6)

July 7, 1961 filed 140,000 common shares of which 20,000 shares are to be offered by the company and 120,000 shares by stockholders. Price—By amendment. Business—The production of cordials, vodka, rum, brandy, etc. Proceeds—For working capital, sales promotion and advertising. Office—2633 Trenton Ave., Philadelphia. Underwriter—Stroud & Co., Inc., Philadelphia (mgr.).

Charter Industries, Inc. (10/9-13)

June 22, 1961 filed 100,000 common shares. Price—\$4. Business—The manufacture of molded plastic products. Proceeds—For starting up production and plant expansion. Office—388 Codwise Ave., New Brunswick, N. J. Underwriter—Standard Securities Corp., N. Y. (mgr.).

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. Price—\$5.50 per share. Business—A closed-end diversified investment company of the management type. Proceeds—For investment. Office—501 Bailey Avenue, Fort Worth, Texas. Distributor—Associates Management, Inc., Fort Worth, Texas.

Churchill Stereo Corp. (10/23-27)

July 17, 1961 105,000 common shares and 105,000 attached five-year warrants to be offered in units of one share and one warrant. Price—\$3.60 per unit. Business—The manufacture of stereophonic, hi-fidelity, radio and/or television equipment and the operation of six retail stores. Proceeds—For expansion, repayment of loans, working capital and other corporate purposes. Office—200 E. 98th Street, Brooklyn, N. Y. Underwriter—Lieberbaum & Co., New York (managing).

Cineque Colorfilm Laboratories, Inc.

Aug. 29, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—The production of slides and color film strips. Proceeds—For equipment, sales promotion and advertising. Office—424 E. 89th St., N. Y. Underwriter—Paul Eisenberg Co., N. Y.

Citation Industries, Inc.

Aug. 28, 1961 filed \$470,000 of 6½% convertible debentures due 1969 and 94,000 common to be offered in units consisting of one \$100 debenture and 20 common. Price—\$200 per unit. Business—The manufacture of prefabricated and shell homes. Proceeds—For general corporate purposes. Office—129 S. Claiborne, New Orleans. Underwriter—None. Note—This registration was withdrawn.

Citizens Life Ins. Co. of New York (10/23-27)

Sept. 8, 1961 filed 147,000 common, of which 100,000 will be sold by the company and 47,000 by a stockholder. Price—By amendment. Business—The writing of ordinary life, group life and group credit life insurance. Proceeds—For investment in income producing securities. Office—33 Maiden Lane, N. Y. Underwriter—A. G. Becker & Co., N. Y. (mgr.).

Clarise Sportswear Co., Inc. (10/2-4)

July 21, 1961 filed 125,000 common shares, of which 75,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$5. Business—The manufacture of women's sportswear. Proceeds—For working capital. Office—141 W. 36th Street, New York. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (co-managing).

Cle-Ware Industries, Inc. (10/2-6)

July 25, 1961 filed 195,000 common shares of which 160,000 shares are to be offered by the company and 35,000 shares by stockholders. Price—By amendment. Business—The wholesaling of parts, chemicals and accessories related to the automotive and marine fields. Proceeds—For repayment of loans, working capital and other corporate purposes. Office—10604 St. Clair Ave., Cleveland. Underwriter—Westheimer & Co., Cincinnati.

Clute (Francis H.) & Son, Inc.

July 3, 1961 filed 1,000,000 common shares. Price—\$1.50. Business—The manufacture of farm and industrial equipment. Proceeds—For materials and inventory, research and development and working capital. Office—

1303 Elm St., Rocky Ford, Colo. Underwriter—Stone, Altman & Co., Inc., Denver.

Cole Vending Industries, Inc.

Aug. 28, 1961 filed 115,000 common. Price—By amendment. Business—The manufacture, sale and servicing of vending machines. Proceeds—For working capital. Office—560 W. Lake St., Chicago. Underwriter—Straus, Blosser & McDowell, Chicago (mgr.).

Coleco Industries, Inc.

Sept. 26, 1961 filed 120,000 common, of which 12,000 shares will be offered by the company and 108,000 by stockholders. Price—By amendment. Business—Manufactures plastic toys, play pools, toy boats and houses, and games. Proceeds—For plant expansion and working capital. Office—75-77 Windsor St., Hartford, Conn. Underwriter—Cooley & Co., Hartford, Conn.

Color Reproductions, Inc. (10/2-6)

May 10, 1961 (letter of notification) 950 units of \$95,000 of 6% subordinated debentures, due June 30, 1971, and 47,500 shares of common stock (par one cent) to be offered in units, each unit consisting of \$100 of debentures and 50 shares of common stock. Price—\$287.50 per unit. Business—The company makes color photographs and reproductions for churches, institutions, seminaries and schools. Proceeds—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. Office—202 E. 44th St., N. Y. Underwriter—William, David & Mottl, Inc., N. Y.

Columbia Research Group

June 20, 1961 filed 5,000,000 preferred shares (par one cent). Price—\$1. Business—The production of religious and educational phonograph records. Proceeds—For general corporate purposes. Office—3600 Market Street, Salt Lake City, Utah. Underwriter—None. Note—On Sept. 27, the company stated that this offering will be postponed for at least six months.

Columbia Research Group

Sept. 8, 1961 ("Reg. A") 22,500 common to be offered publicly in units of 75 shares. Price—\$1 per unit. Business—Production of phonograph records of an educational or religious nature. Office—3600 Market St., Salt Lake City, Utah. Underwriter—None.

Columbian Bronze Corp.

July 13, 1961 filed 150,000 common shares. Price—\$5. Business—The manufacture of marine propellers and electronic equipment, hydraulic products and metal furniture. Proceeds—For repayment of loans and expansion. Office—216 N. Main St., Freeport, N. Y. Underwriter—Lomasney, Loving & Co., New York (managing).

Combined Insurance Co. of America

Aug. 25, 1961 filed 300,000 common. Price—By amendment. Proceeds—For the selling stockholders. Business—The writing of accident and health insurance. Office—5050 B'way, Chicago. Underwriter—Smith, Barney & Co., N. Y.

Commonwealth Theatres of Puerto Rico, Inc. (10/10)

July 28, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$10. Business—The operation of a chain of theatres in Puerto Rico. Proceeds—For construction of a drive-in movie theatre, building renovations and general corporate purposes. Address—Santurce, Puerto Rico. Underwriter—J. R. Williston & Beane, New York (managing).

Community Charge Plan

Sept. 22, 1961 filed \$3,600,000 of 6% subordinated debentures due 1976 (with attached warrants to purchase 72,000 common shares) and 216,000 common, to be offered in units consisting of a \$100 debenture (and a warrant to purchase two shares) and six common shares. Price—By amendment. Business—The purchase at a discount from merchant-members, their accounts receivable arising from customers who hold credit cards issued by these members. Proceeds—To repay debt and increase working capital. Office—10 Banta Place, Hackensack, N. J. Underwriter—Troster, Singer & Co., N. Y.

Computron Corp.

Sept. 15, 1961 filed 500,000 common. Price—\$1.15. Business—Research, development, design and production of electronic automation devices. Proceeds—For equipment, research and development and working capital. Office—9330 James Ave., South, Minneapolis. Underwriter—Brandtjen & Bayliss, Inc., St. Paul, Minn.

Consolidated Chemical & Paint Corp.

Aug. 29, 1961 filed \$275,000 of 6½% subordinated convertible debentures due 1968 and 68,750 common to be offered in units consisting of \$100 of debentures and 25 common. Price—\$200 per unit. Business—The company manufactures from oil, chemicals and pigments, diverse basic paint lines. Proceeds—For retirement of outstanding 6% debentures, repayment of debt and working capital. Office—456 Driggs Ave., Brooklyn, N. Y. Underwriters—Armstrong & Co., N. Y., and L. C. Wegard & Co., Trenton, N. J. Offering—Expected in December.

Consolidated Production Corp.

May 26, 1961 filed 125,000 shares of common stock. Price—\$15. Business—Company buys and manages fractional interests in producing oil and gas properties. Proceeds—For investment, and working capital. Office—14 North Robinson, Oklahoma City, Okla. Underwriter—Shearson, Hammill & Co., New York City (managing). Note—This company formerly was named Cadot Production Corp. Offering—Temporarily postponed.

Consolidated Vending Corp.

Aug. 29, 1961 filed \$150,000 of 6% debentures due 1971 and 50,000 common to be offered in units each consisting of \$150 of debentures and 50 common. Price—\$400 per unit. Business—The operation of vending machines. Proceeds—For repayment of loans, new equipment and

working capital. Office—129 S. State St., Dover, Del. Underwriter—William, David & Mottl, Inc., N. Y. C.

Consumers Utilities Corp. (10/23-27)

July 27, 1961 filed 302,000 outstanding common shares to be offered for subscription by stockholders of Mobilife Corp., of Bradenton, Fla., parent company, on the basis of 3 Consumers shares for each 5 Mobilife shares held. Price—By amendment. Business—The acquisition, construction and operation of water-treatment and sewage-disposal plants in suburban areas of Florida. Proceeds—For the selling stockholder (Mobilife Corp.) Office—Sarasota, Fla. Underwriter—Golkin, Bomback & Co., N. Y. C.

Consumers Water Co.

Aug. 29, 1961 ("Reg. A") 3,100 common. Price—\$32.25. Proceeds—For the selling stockholders. Office—Portland, Me. Underwriter—H. M. Payson & Co., Portland.

Continental Fund Distributors, Inc.

April 13, 1961 filed 296,000 common shares and 296,000 warrants for the purchase of stock of Continental Management Corp., advisor to Continental Growth Fund, Inc. The securities will be offered for public sale in units of one common share and one warrant. Price—\$1 per unit. Business—The company is the sponsor of Continental Growth Fund, Inc. Proceeds—For expansion. Office—366 Fifth Ave., New York City. Underwriter—Niagara Investors Corp., N. Y. Offering—Imminent.

Continental Leasing Corp.

June 19, 1961 ("Reg. A") 100,000 common shares (par one cent). Price—\$3. Proceeds—For purchase of new automobiles, advertising and promotion, and working capital. Office—527 Broad St., Sewickley, Pa. Underwriter—H. B. Crandall Co. and Cambridge Securities, Inc., N. Y. Offering—Expected late October.

Continental Real Estate Investment Trust

Aug. 3, 1961 filed 300,000 shares of beneficial interest. Price—\$10. Business—Real estate. Proceeds—For investment. Office—530 St. Paul Place, Baltimore. Underwriter—F. Baruch & Co., Inc., Washington, D. C. (managing).

Continental Vending Machine Corp.

Aug. 11, 1961 filed \$5,052,700 of 6% convertible subordinated debentures due 1976, to be offered for subscription by stockholders on the basis of \$100 of debentures for each 80 common shares held. Price—By amendment. Business—The manufacturing of vending machines. Proceeds—For repayment of loans and working capital. Office—956 Brush Hollow Road, Westbury, L. I., N. Y. Underwriter—Hardy & Co., New York (managing).

Control Lease Systems, Inc.

July 21, 1961 ("Reg. A") 225,000 common. Price—\$1.15. Proceeds—For equipment, research and development and capital expenditures. Office—3386 Brownlow Ave., St. Louis Park, Minn. Underwriters—M. H. Bishop & Co., and J. P. Penn & Co., Inc., Minneapolis. Offering—Imminent.

Cook (L. L.)

Aug. 4, 1961 filed 49,736 common, of which 9,600 are to be offered by the company and 40,136 by stockholders. Price—By amendment. Business—Processing of photographic film, wholesaling of photographic supplies and manufacture of post cards. Proceeds—For general corporate purposes. Office—1830 N. 16th St., Milwaukee. Underwriter—Milwaukee Co., Milwaukee.

Cooke Engineering Co.

Sept. 12, 1961 filed 32,000 common. Price—\$11. Business—The manufacture of electronic products and the furnishing of engineering services. Proceeds—For equipment, new products, sales promotion and working capital. Office—735 N. St. Asaph St., Alexandria, Va. Underwriter—Jones, Kreeger & Co., Washington, D. C.

Cosmetically Yours, Inc.

Aug. 23, 1961 filed 42,500 common. Price—\$4. Business—The manufacture of cosmetics. Proceeds—For repayment of a loan, advertising, equipment, inventory, research and development and working capital. Office—15 Clinton St., Yonkers, N. Y. Underwriter—P. J. Gruber & Co., Inc., N. Y.

Cosnat Record Distributing Corp. (10/16-20)

May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and distribution of phonograph records. Proceeds—For the repayment of debt, and working capital. Office—315 W. 47th St., N. Y. Underwriter—Amos Treat & Co., N. Y. C. (mgr.).

Cowles Magazines & Broadcasting, Inc.

Aug. 30, 1961 filed 350,000 capital shares. Price—By amendment. Business—The publication of "Look" magazine, the sale of subscriptions to other magazines and the operation of TV and radio stations. Proceeds—For general corporate purposes. Office—488 Madison Ave., N. Y. Underwriter—Goldman, Sachs & Co., N. Y. C. Offering—Expected in mid-October.

Coyle's Voting Machine Co.

Aug. 31, 1961 ("Reg. A") 10,000 common. Price—\$10. Business—The sale of punch card type voting machines. Office—830 High St., Hamilton, O. Underwriter—John A. Kemper & Co., Lima, O.

Cramer Electronics, Inc.

July 27, 1961 filed 150,000 common shares, of which 107,250 shares are to be offered by the company and 42,750 shares by the stockholders. Price—By amendment. Business—The distribution of electronic components and equipment. Proceeds—For repayment of loans, inventory and working capital. Office—811 Boylston St., Boston. Underwriter—Carl M. Loeb, Rhoades & Co., N. Y. (mgr.).

Continued on page 36

Continued from page 35

Crank Drug Co.

July 3, 1961 filed 130,000 common shares. **Price** — By amendment. **Business** — The operation of retail drug stores. **Proceeds** — For repayment of loans, and for expansion. **Office** — 1947 E. Meadowmere St., Springfield, Mo. **Underwriter** — Reinholdt & Gardner, St. Louis (mgr.). **Offering** — Temporarily postponed.

Creative Playthings, Inc. (10/2-6)

July 28, 1961 filed 100,000 common shares. **Price** — By amendment. **Business** — The manufacture of equipment and material for children. **Proceeds** — For research and development, expansion, repayment of loans and working capital. **Address** — Cranbury, N. J. **Underwriter** — A. G. Becker & Co., Inc., Chicago and Semple, Jacobs & Co., Inc., St. Louis.

Cromwell Business Machines, Inc. (10/2-6)

Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). **Price** — \$3. **Proceeds** — For repayment of loans, machinery, leasehold improvements, advertising and working capital. **Office** — 7451 Coldwater Canyon Avenue, North Hollywood, Calif. **Underwriter** — Pacific Coast Securities Co., San Francisco.

Crossway Motor Hotels, Inc.

Aug. 4, 1961 filed 70,000 common shares. **Price** — \$5. **Business** — The operation of a motor hotel chain. **Proceeds** — For acquisition, expansion and the repayment of debt. **Office** — 54 Tarrytown Rd., White Plains, N. Y. **Underwriter** — Candee & Co., New York.

Custom Shell Homes, Inc.

May 8, 1961 ("Reg. A") 120,000 common. **Price** — \$2.50. **Proceeds** — To erect sample homes, repay a loan, expansion and working capital. **Office** — 412 W. Saratoga St., Baltimore, Md. **Underwriter** — T. J. McDonald & Co., Washington, D. C. **Offering** — Imminent.

Dadan, Inc.

June 29, 1961 ("Reg. A") 160,000 common shares (par 50 cents). **Price** — \$1.15. **Business** — The manufacture of games. **Proceeds** — For repayment of loans, development of new products and working capital. **Office** — 209 Wilder Bldg., Rochester 14, N. Y. **Underwriter** — McDonald, Anderson, Peterson & Co., Inc., Minneapolis. **Offering** — Imminent.

Dale Systems, Inc.

Aug. 9, 1961 filed 100,000 common. **Price** — \$3.50. **Business** — A shopping service which checks the efficiency of retail sales employees. **Proceeds** — Expansion and general corporate purposes. **Office** — 1790 B'way, N. Y. **Underwriter** — Theodore Arrin & Co., Inc., N. Y.

Data Management, Inc.

July 17, 1961 ("Reg. A") 260,869 class A common shares (par 10 cents). **Price** — \$1.15. **Proceeds** — For purchase of equipment, investments and working capital. **Office** — 1608 First National Bank Building, Minneapolis. **Underwriter** — M. H. Bishop & Co., Minneapolis. **Offering** — Imminent.

Datom Industries, Inc.

July 17, 1961 filed 112,500 common shares. **Price** — \$4. **Business** — The manufacture of electrical products such as transistorized and conventional tube radios, portable phonographs and educational kits. **Proceeds** — For working capital and other corporate purposes. **Office** — 350 Scotland Road, Orange, N. J. **Underwriter** — Robert L. Ferman & Co., Miami, Fla. (mgr.). **Offering** — Expected early October.

Delaware Barrel & Drum Co., Inc.

Sept. 26, 1961 filed 100,000 common. **Price** — By amendment. **Business** — Manufacture of plastic shipping containers and tanks. **Proceeds** — For research and development and other corporate purposes. **Office** — Eden Park Gardens, Wilmington, Del. **Underwriter** — G. H. Walker & Co., N. Y.

Deites & Sullivan Mining & Milling Co.

Sept. 8, 1961 ("Reg. A") 1,250,000 common. **Price** — 20c. **Business** — Mining and milling. **Office** — Colville, Wash. **Underwriter** — None.

Delta Capital Corp.

Aug. 9, 1961 filed 500,000 common shares. **Price** — By amendment. **Business** — A small business investment company. **Proceeds** — For investment. **Office** — 610 National Bank of Commerce Building, New Orleans. **Underwriters** — Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

Delta Sonics, Inc.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par \$1). **Price** — \$3. **Business** — The manufacture of ultrasonic and electronic systems and components. **Proceeds** — For plant and equipment; material and inventory; repayment of a loan and working capital. **Office** — 12918 Gerise Ave., Hawthorne, Calif. **Underwriter** — Haas, Lidster & Co., Los Angeles.

Demarco Business Forms Inc.

Sept. 26, 1961 filed 100,000 class A common (with attached warrants to purchase an additional 50,000 shares). **Price** — By amendment. **Business** — Manufacture of custom-made printed business forms. **Proceeds** — Expansion, payment of taxes, and working capital. **Office** — 3747 Ridge Ave., Philadelphia. **Underwriter** — Suplee, Yeatman, Mosley Co., Inc., Philadelphia.

Dero Research & Development Corp.

Aug. 24, 1961 ("Reg. A") 54,000 common. **Price** — \$2.40. **Business** — The manufacture of FM Deviation Monitors. **Proceeds** — For development, expansion, advertising and working capital. **Office** — Broadway and Park Ave., Huntington, N. Y. **Underwriter** — James Co., N. Y.

District Wholesale Drug Corp. of Washington

Sept. 19, 1961 filed \$500,000 of 6% convertible subordinated sinking fund debentures due 1976, also 100,000 class A common. **Price** — Debentures — At par. Common — \$4.

Business — The sale of drug products to retail stores in Washington, Maryland and Virginia. **Proceeds** — For the repayment of debt, and working capital. **Office** — 52-60 O St., N. W., Washington, D. C. **Underwriter** — Auchincloss, Parker & Redpath, Washington, D. C.

Diversified Wire & Steel Corp. of America (10/3)

July 17, 1961 filed 100,000 class A common shares. **Price** — \$4. **Business** — The manufacture of cold drawn steel wire, furniture springs and related products. **Proceeds** — for repayment of debt, acquisition and improvement of property, equipment, and working capital. **Office** — 3525 E. 16th St., Los Angeles. **Underwriter** — V. K. Osborne & Sons, Inc., Beverly Hills, Calif. (managing).

Dressen-Barnes Electronics Corp.

Aug. 14, 1961 filed 100,000 capital shares, of which 75,000 shares are to be offered by the company and 25,000 shares by stockholders. **Price** — By amendment. **Business** — The manufacture of power supplies and automatic label dispensers. **Proceeds** — For repayment of loans, and working capital. **Office** — 250 N. Vinedo Street, Pasadena, Calif. **Underwriter** — Lester, Ryons & Co., Los Angeles.

Dunlap & Associates, Inc. (10/16)

June 30, 1961 filed 75,000 common shares, of which 60,000 will be offered by the company and 15,000 by stockholders. **Price** — By amendment. **Business** — The company provides scientific research, engineering consulting and development services to the Armed Services, U. S. Government agencies and private industry. **Proceeds** — For purchase of building sites, expansion, and working capital. **Office** — 429 Atlantic St., Stamford, Conn. **Underwriter** — Dominick & Dominick, New York.

Dynamic Gear Co., Inc. (10/2-6)

June 29, 1961 filed 125,000 common shares of which 100,000 shares are to be offered by the company and 25,000 shares by a stockholder. **Price** — \$3. **Business** — Manufacture of precision instrument gears. **Proceeds** — For purchase and rebuilding of automatic gear-cutting machines, prepayment of a note, inventory, a new plant and for general corporate purposes. **Office** — 175 Dixon Avenue, Amityville, N. Y. **Underwriters** — Flomenhaf, Seidler & Co., Inc. and Lomasney, Loving & Co., New York (mgrs.).

Dynamic Toy, Inc. (10/18)

June 30, 1961 ("Reg. A") 81,000 common shares (par 10 cents). **Price** — \$3. **Business** — The manufacture of toys. **Proceeds** — For advertising, development of new products expansion and working capital. **Address** — 109 Ainslie St., Brooklyn, N. Y. **Underwriter** — Hancock Securities Corp., New York.

EMAC Data Processing Corp.

Sept. 8, 1961 filed 100,000 common. **Price** — \$2.50. **Business** — The company conducts an electronic data processing service. **Proceeds** — For the rental of additional data processing equipment, sales promotion, salaries, rent, furniture and working capital. **Office** — 46-36 53rd Ave., Maspeth, N. Y. **Underwriter** — M. W. Janis Co., Inc., N. Y. C.

Eastern Properties Improvement Corp.

Aug. 22, 1961 filed \$1,500,000 of subordinated debentures due 1981 and 250,000 common shares. **Price** — For debentures, \$1,000; for stock, \$10. **Business** — General real estate. **Proceeds** — For the acquisition and development of real properties, repayment of debt and engineering, etc. **Office** — 10 E. 40th St., New York. **Underwriter** — Woodcock, Moyer, Fricke & French, Inc., Philadelphia (managing). **Offering** — Expected in late October.

Electra International, Ltd.

May 5, 1961 filed 70,000 shares of capital stock. **Price** — To be supplied by amendment. **Business** — The manufacture of products in the automotive ignition field for sale outside of the United States. **Proceeds** — For research, and development, and working capital. **Office** — 222 Park Ave., South, New York City. **Underwriter** — Ezra Kureen Co., New York City.

Electra-Tronics, Inc. (10/16)

Aug. 14, 1961 ("Reg. A") 60,000 common (par 75c). **Price** — \$3. **Business** — The company is a military subcontractor in the electronics field. **Proceeds** — For the repayment of loans, inventory, expansion and working capital. **Office** — 1242 N. Palm, Sarasota, Fla. **Underwriter** — Jay Morton & Co., Inc., Sarasota.

Electro-Mec Instrument Corp.

Sept. 15, 1961 filed 176,480 common. **Price** — \$6. **Business** — The design, manufacture and sale of potentiometers, digitometers and goniometers used in airborne computing devices. **Proceeds** — For the selling stockholder, Walham Precision Instrument Co., Inc. **Office** — 47-51 33rd St., Long Island City, N. Y. **Underwriter** — Sterling, Grace & Co., N. Y. (mgr.).

Electro-Med, Inc.

July 17, 1961 filed \$540,000 of convertible subordinated debentures due 1971. **Price** — By amendment. **Business** — The manufacture of medical-electronic instruments. **Proceeds** — For working capital. **Office** — 4748 France Avenue, N. Minneapolis. **Underwriter** — Craig-Hallum, Kinnard, Inc., Minneapolis (managing).

Electro-Miniatures Corp. (10/6)

June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price** — \$3. **Business** — The manufacture of electronic and electro-mechanical devices for the aircraft, radar, missile and rocket industries. **Proceeds** — For the selling stockholders. **Office** — 600 Huyler St., Hackensack, N. J. **Underwriter** — Burnham & Co., New York.

Electro-Tec Corp.

July 28, 1961 filed 91,000 common shares (par 10 cents). **Price** — By amendment. **Business** — The manufacture of slip rings and brush block assemblies, switching devices,

relays, and precious metal products. **Proceeds** — For the selling stockholders. **Office** — 10 Romanelli Ave., South Hackensack, N. J. **Underwriter** — Harriman Ripley & Co., Inc., N. Y. (mgr.). **Offering** — Indefinitely postponed.

Electro-Temp Systems, Inc.

June 30, 1961 ("Reg. A") 75,000 common shares (par one cent). **Price** — \$4. **Business** — The sale of refrigeration machinery and equipment. **Proceeds** — For repayment of a loan, inventory, promotion and advertising, and working capital. **Office** — 150-49 Hillside Ave., Jamaica, N. Y. **Underwriters** — Planned Investing Corp., New York and Bayes, Rose & Co., Inc., N. Y. **Offering** — Imminent.

Electronic Communications, Inc.

Sept. 22, 1961 filed 150,000 common. **Price** — By amendment. **Business** — Development and manufacture of electronic communication systems and equipment. **Proceeds** — General corporate purposes. **Office** — 1501 72nd St. N., St. Petersburg, Fla. **Underwriter** — Laird & Co., Corp., Wilmington, Del.

Electronic International, Inc.

Sept. 1, 1961 ("Reg. A") 130,000 common. **Price** — \$2. **Business** — The manufacture of precision instruments. **Proceeds** — For equipment and working capital. **Office** — 176 E. 15th St., Paterson, N. J. **Underwriter** — Theodore Arrin & Co., Inc., N. Y.

Electronics Discovery Corp.

July 26, 1961 filed 150,000 common shares. **Price** — \$1. **Business** — The company plans to develop a device to make non-conductors into electrical conductors by the addition of chemicals. **Proceeds** — For research and development. **Office** — 1100 Shames Dr., Westbury, L. I., N. Y. **Underwriter** — Globus, Inc., N. Y. **Offering** — Expected in late October.

Empire Fund, Inc.

June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities. **Business** — A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of \$20,000 or more. **Office** — 44 School Street, Boston, Mass. **Underwriter** — A. G. Becker & Co., Inc., Chicago.

Empire Life Insurance Co. of America

March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price** — \$10 per share. **Proceeds** — To go to selling stockholders. **Office** — 2801 W. Roosevelt Road, Little Rock, Ark. **Underwriter** — Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Empire Precision Components, Inc.

Aug. 29, 1961 ("Reg. A") 65,000 class A. **Price** — \$4. **Business** — The manufacture of metal component parts for precision electronic connectors. **Proceeds** — For moving expenses, a new plant, equipment, repayment of loans and working capital. **Office** — 574 President St., Brooklyn, N. Y. **Underwriter** — Ezra Kureen Co., N. Y.

Empire State Building Associates

Aug. 24, 1961 filed \$39,000,000 participations of general partnership interest to be offered in units. **Price** — \$10,000 per unit. **Business** — General real estate. **Proceeds** — To help finance the purchase of the Empire State Building. **Office** — 60 E. 42nd St., N. Y. **Underwriter** — None.

Executive Equipment Corp.

Aug. 1, 1961 filed 100,000 common shares. **Price** — \$4. **Business** — The long-term leasing of automobiles. **Proceeds** — For the purchase of automobiles, establishment of a trucking division and a sales office, and for working capital. **Office** — 790 Northern Blvd., Great Neck, N. Y. **Underwriters** — Reich & Co., and Jacques Coe & Co., New York.

Executive House, Inc. (10/23-27)

Aug. 29, 1961 filed \$2,000,000 of 6% subordinated sinking fund debentures due 1971 and 400,000 common to be offered in 200,000 units, each consisting of a \$10 debenture (with 2 warrants) and two common. **Price** — By amendment. **Business** — The operation of hotels. **Proceeds** — For investment in a subsidiary and realty acquisitions. **Office** — 71 E. Wacker Dr., Chicago. **Underwriters** — Bear, Stearns & Co., N. Y. C. and Straus, Blosser & McDowell Co., Chicago (mgrs.).

FMC Corp. (10/16-20)

Sept. 5, 1961 filed \$30,000,000 convertible subordinated debentures due 1981. **Price** — By amendment. **Business** — The manufacture of industrial and agricultural chemical equipment. **Proceeds** — For general corporate purposes. **Office** — 1105 Coleman Ave., San Jose, Calif. **Underwriter** — Kidder, Peabody & Co., N. Y.

FM-Stereo Guide, Inc.

Aug. 4, 1961 ("Reg. A") 50,000 common shares. **Price** — \$6. **Business** — The company plans to publish a national magazine featuring detailed FM radio program listings, reviews, interviews, etc. **Proceeds** — For general corporate purposes. **Office** — 1711 Walnut Street, Philadelphia. **Underwriter** — Valley Forge Securities Co., Inc., New York City and Philadelphia. **Offering** — Expected sometime in October.

Fairfield Controls, Inc. (10/2-6)

May 19, 1961 filed 150,000 shares of common stock. **Price** — \$1 per share. **Business** — The manufacture of electronic solid state power controls designed by the company's engineers from specifications supplied by customers. **Proceeds** — For equipment, repayment of a loan, inventory, advertising and working capital. **Office** — 114 Manhattan Street, Stamford, Conn. **Underwriters** — First Philadelphia Corp., and Lieberbaum & Co., both of N. Y.

Family Circle Associates, Inc.

Aug. 30, 1961 filed 50,000 class A common. **Price** — \$7. **Business** — The operation of retail discount department stores. **Proceeds** — For repayment of loans and working capital. **Office** — 30 Main St., Keyport, N. J. **Underwriter** — Russell & Saxe, Inc., N. Y.

● Family Finance Corp. (10/23)

Sept. 19, 1961 filed \$25,000,000 principal amount of senior debentures due Oct. 15, 1981. **Price**—By amendment. **Business**—The operation of a small loan, discount loan and sales financing business and the writing of credit life and other types of insurance. **Proceeds**—For working capital. **Office**—201 W. 14th Street, Wilmington, Del. **Underwriter**—Goldman, Sachs & Co., N. Y.

Faradyne Electronics Corp.

Jan. 30, 1961 filed \$2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for working capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co. **Note**—July 11, the SEC instituted "Stop Order" proceedings challenging the accuracy and adequacy of this statement.

Fashion Homes Inc. (10/9-13)

July 18, 1961 filed \$600,000 of subordinated debentures due 1971; 100,000 common shares and 100,000 five-year warrants (exercisable at from \$4 to \$8 per share) to be offered for public sale in units of one \$60 debenture, 10 common shares and 10 warrants. The registration also covers 40,800 common shares. **Price**—\$100 per unit, and \$6 per share. **Business**—The construction of shell homes. **Proceeds**—For redemption of 8% debentures; advances to company's subsidiary; repayment of loans; advertising and promotion, and other corporate purposes. **Office**—1711 N. Glenstone, Springfield, Mo. **Underwriters**—Globus, Inc. and Ross, Lyon & Co., Inc., New York.

★ Fashion Industries, Inc.

Sept. 26, 1961 filed 95,600 common, of which 68,000 will be sold by the company and 27,600 by stockholders. **Price**—\$4.75. **Business**—Manufacture and sale of women's apparel. **Proceeds**—For repayment of debt, purchase of equipment, taxes, and working capital. **Office**—Gauthier St., Tuskegee, Ala. **Underwriter**—Wright, Redden, Myers & Bessell, Inc., Washington, D. C.

★ First American Indian Land, Inc.

Sept. 6, 1961 ("Reg. A") 35,000 common. **Price**—\$3. **Business**—Operation of an amusement area which depicts western "cowboy" town life. **Office**—Little Beaver Town, N. Mex. **Underwriter**—None.

★ First Federated Life Insurance Co.

Sept. 20, 1961 filed 10,000 capital shares to be offered for subscription by stockholders at the rate of one new share for each two held. **Price**—\$35. **Proceeds**—To increase capital. **Office**—Munsey Bldg., Baltimore, Md. **Underwriter**—None.

First National Realty & Construction Corp. (10/16-20)

Aug. 11, 1961 filed \$3,000,000 of 6½% subordinated debentures due 1976 (with warrants attached). **Price**—By amendment. **Business**—The construction and management of real estate. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—630 Third Avenue, N. Y. **Underwriter**—H. Hentz & Co., N. Y. (mgr.)

First Small Business Investment Company of Tampa, Inc.

Oct. 6, 1960 filed 500,000 shares of common stock. **Price**—\$12.50 per share. **Proceeds**—To provide investment capital. **Office**—Tampa, Fla. **Underwriter**—None.

First Union Realty (10/9-13)

Aug. 30, 1961 filed 1,060,000 shares of beneficial interests. **Price**—By amendment. **Business**—A real estate investment trust. **Proceeds**—For purchase of an office building, repayment of loans and working capital. **Office**—Union Commerce Bldg., Cleveland. **Underwriters**—Harriman Ripley & Co., N. Y., and Hayden, Miller & Co., Cleveland.

First Western Financial Corp. (10/30-11/3)

Aug. 23, 1961 filed 450,000 common, of which 100,000 shares are to be offered by the company and 350,000 shares by stockholders. **Price**—By amendment. **Business**—A holding company for a savings and loan association, an insurance agency, real estate and escrow agencies and an appraisal service. **Proceeds**—For repayment of a loan and general corporate purposes. **Office**—118 Las Vegas Blvd. S., Las Vegas, Nev. **Underwriter**—A. C. Allyn & Co., N. Y. (mgr.).

● Flato Realty Fund

April 21, 1961 filed 2,000,000 shares of participation in the fund. **Price**—\$10 per share. **Business**—A new real estate investment trust. **Proceeds**—For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi.

Fleetwood Securities Corp. of America

Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. **Price**—\$10. **Business**—Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. **Proceeds**—To increase net capital and for investment. **Office**—44 Wall St., N. Y. **Underwriter**—General Securities Co., Inc., N. Y. **Offering**—Sometime in October.

Floyd Bennett Stores, Inc.

Aug. 30, 1961 filed 100,000 common. **Price**—By amendment. **Business**—The operation of discount department stores. **Proceeds**—For repayment of loans and working capital. **Office**—300 W. Sunrise Highway, Valley Stream, N. Y. **Underwriters**—Goodkind, Neufeld, Jordon Co., Inc. and Richter & Co., N. Y. (mgrs.).

● Foamland U. S. A., Inc. (10/9-13)

June 22, 1961 filed 150,000 common shares, of which 90,000 shares are to be offered by the company and 60,000 shares by the stockholders. **Price**—\$5. **Business**—The manufacture and retail sale of household furniture.

Proceeds—For acquisition of new stores, development of new furniture items, working capital and other corporate purposes. **Office**—Cherry Valley Terminal Road, West Hempstead, N. Y. **Underwriter**—Finkle & Co., N. Y.

★ Folz Vending Co., Inc.

Sept. 26, 1961 filed 55,000 common. **Price**—\$6. **Business**—The distribution of novelties, candy, etc. through vending machines. **Proceeds**—To repay loans, purchase machines, and increase working capital. **Office**—990 Long Beach Rd., Oceanside, N. Y. **Underwriter**—None.

★ Foods Plus, Inc.

Sept. 22, 1961 filed 150,000 common. **Price**—By amendment. **Business**—A manufacturer, wholesaler, and retailer of vitamin products. **Proceeds**—For selling stockholders. **Office**—62 W. 45th St., N. Y. **Underwriter**—Shearson, Hammill & Co., N. Y.

★ Foote & Davies, Inc.

Sept. 22, 1961 filed 165,000 common; 70,000 to be offered by the company and 95,000 by present stockholders. **Price**—By amendment. **Business**—Printing and binding of books, magazines, catalogs, pamphlets, advertising material, etc. **Proceeds**—Repayment of debt and working capital. **Office**—764 Miami Circle, N.E., Atlanta, Ga. **Underwriters**—J. C. Bradford & Co., Nashville, Tenn. and Courts & Co., Atlanta, Ga.

● Fotochrome Inc. (10/2-6)

June 29, 1961 filed \$3,500,000 of convertible subordinated debentures due 1981 and 262,500 outstanding common shares. The debentures are to be offered by the company and the stock by stockholders. **Price**—By amendment. **Business**—The processing of photographic films; the wholesaling of photographic supplies and the development and sale of film processing. **Proceeds**—For construction of a new plant, purchase of equipment, moving expenses and for other corporate purposes. **Office**—1874 Washington Ave., New York. **Underwriters**—Shearson, Hammill & Co., and Emanuel, Deetjen & Co., N. Y.

● Fram Corp. (10/16-20)

Sept. 1, 1961 filed 50,000 common. **Price**—By amendment. **Business**—The manufacture of oil and air filtration equipment for engines. **Proceeds**—To reimburse Treasury for a recent acquisition. **Office**—105 Pawtucket Ave., East Providence, R. I. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

G-W Inc.

Jan. 25, 1961 filed 80,000 shares of common stock and 100,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at \$2 per share from March to August 1961 and at \$3 per share from September 1962 to February 1964. **Price**—\$4 per unit. **Business**—The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds**—For general corporate purposes. **Office**—Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa. **Note**—Company formerly was named G-W Ameritronics, Inc. **Offering**—Imminent.

Gas Hills Uranium Co.

Aug. 29, 1961 filed 847,035 common to be offered for subscription by stockholders on a 1-for-10 basis. **Price**—By amendment. **Business**—The operation of uranium mines and a mill. **Proceeds**—For repayment of loans, acquisitions and working capital. **Office**—224 Iverson St., Laramie, Wyo. **Underwriter**—None.

Gem Electronic Distributors, Inc.

Aug. 25, 1961 filed 75,000 common. **Price**—By amendment. **Business**—The distribution of electronic parts and equipment, including TV and radio components. **Proceeds**—For repayment of loans and inventory. **Office**—34 Hempstead Turnpike, Farmingdale, N. Y. **Underwriter**—Carter, Berlind, Potoma & Weill, N. Y. C. (mgr.).

★ General American Transportation Corp.

Sept. 21, 1961 filed \$25,000,000 of equipment trust certificates due 1981. **Price**—By amendment. **Business**—Supplying of freight cars to railroads and shippers. **Proceeds**—For working capital. **Office**—135 S. La Salle St., Chicago. **Underwriter**—Kuhn, Loeb & Co., Inc., N. Y.

General Foam Corp.

Aug. 15, 1961 filed \$4,000,000 of 6% convertible subordinated debentures due 1981. **Price**—At par. **Business**—The manufacture of urethane foam and foam rubber products. **Proceeds**—For repayment of loans and working capital. **Office**—640 W. 134th St., New York. **Underwriter**—Brand, Grumet & Seigel, Inc., New York.

General Forms, Inc.

Aug. 15, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Proceeds**—For repayment of loans, plant improvements, equipment and working capital. **Office**—7325 Northwest 43rd St., Miami. **Underwriter**—Equity Securities Co., New York.

General Kinetics Inc.

Aug. 7, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—The company conducts various activities within the fields of electronics, mechanical engineering, instrumentation and mathematics. **Proceeds**—For expansion. **Office**—2611 Shirlington Road, Arlington, Va. **Underwriters**—Balogh & Co., Inc., Washington, D. C. and Irving J. Rice & Co., Inc., St. Paul, Minn.

General Plastics Corp.

June 20, 1961 ("Reg. A") 60,000 common shares (par \$1). **Price**—\$5. **Proceeds**—For repayment of loans, inventory, equipment and working capital. **Office**—12414 Exposition Blvd., West Los Angeles, Calif. **Underwriters**

—Pacific Coast Securities Co. and Sellgren, Miller & Co., San Francisco. **Offering**—Imminent.

General Public Service Corp.

July 26, 1961 filed 3,947,795 common being offered for subscription by stockholders on the basis of one new for each two held of record Sept. 12 with rights to expire Sept. 27. **Price**—\$6.25. **Business**—A closed-end investment company. **Proceeds**—For investment. **Office**—90 Broad St., N. Y. **Underwriter**—Stone & Webster Securities Corp., N. Y. (mgr.).

Georgia Power Co. (10/18)

Sept. 1, 1961 filed 70,000 shares of no par cumulative preferred stock. **Proceeds**—For construction and the repayment of loans. **Office**—270 Peachtree St., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders—First Boston Corp.; Lehman Brothers; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; Equitable Securities Corp. **Bids**—Oct. 18 (11 a.m. EDT) at offices of Southern Services, Inc. (Room 1600), 250 Park Ave., N. Y. **Information Meeting**—Oct. 9 (2:30 p.m. EDT) at offices of Chemical Bank New York Trust Co., (10th floor), 30 Broad St., N. Y.

Georgia Power Co. (10/18)

Sept. 1, 1961 filed \$10,000,000 of first mortgage bonds due Oct. 1, 1991. **Proceeds**—For construction and the repayment of loans. **Office**—270 Peachtree St., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders—Harriman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc.; Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co.; Equitable Securities Corp.; Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Oct. 18 (12 noon EDT) at offices of Southern Services, Inc. (Room 1600), 250 Park Ave., N. Y. **Information Meeting**—Oct. 9 (2:30 p.m. EDT) at offices of Chemical Bank New York Trust Co. (10th floor), 30 Broad St., N. Y.

Gibbs (T. R.) Medicine Co., Inc.

May 26, 1961 filed 110,000 shares of class A stock. **Price**—\$3 per share. **Business**—The manufacture, marketing and distribution of proprietary drug products. **Proceeds**—For advertising and general corporate purposes. **Office**—1496 H Street, N. E., Washington, D. C. **Underwriter**—General Securities Corp., 1012 14th St., N. W., Washington, D. C.

Girder Process, Inc. (10/9-13)

July 21, 1961 filed 80,000 class A common shares. **Price**—\$5.25. **Business**—The manufacture of adhesive bonding films and related products. **Proceeds**—For acquisition of a new plant, purchase and construction of new machinery and equipment, research and laboratory product development, sales program, advertising, working capital and other corporate purposes. **Office**—102 Hobart Street, Hackensack, N. J. **Underwriter**—Winslow, Cohu & Stetson, New York (managing).

Glacier Publishing International, Inc.

Sept. 15, 1961 filed 112,500 common. **Price**—\$3. **Business**—The publishing of crossword puzzle magazines, pricing guide directories and certain annual publications. **Proceeds**—For the repayment of debt, and working capital. **Office**—26 B'way, N. Y. **Underwriter**—Farrell Securities Co., N. Y.

Glenmore Distilleries Co.

Aug. 25, 1961 filed \$7,500,000 of convertible subordinated debentures due 1981. **Price**—By amendment. **Business**—The production of alcoholic beverages. **Proceeds**—For repayment of loans. **Office**—660 Fourth St., Louisville. **Underwriter**—Glore, Forgan & Co., N. Y. C. (mgr.).

● Glickman Corp. (10/2)

Aug. 3, 1961 filed 600,000 class A common shares. **Price**—By amendment. **Business**—Real estate. **Proceeds**—For investment. **Office**—501 Fifth Ave., New York. **Underwriters**—Bache & Co., and Hirsch & Co., N. Y. (mgr.).

Globe Coliseum, Inc.

July 21, 1961 ("Reg. A") 300,000 common shares. **Price**—At par (\$1). **Proceeds**—For construction of a coliseum building, furnishings and incidental expenses. **Address**—c/o Fred W. Layman, 526 S. Center, Casper, Wyo. **Underwriter**—Northwest Investors Service, Inc., Billings, Mont. **Offering**—Expected early October.

Globe Rubber Products Corp. (10/2-6)

Aug. 10, 1961 filed 175,000 common shares, of which 60,000 shares are to be offered by the company and 115,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of rubber floor mats, swim gear and household products. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—418 W. Ontario Street, Philadelphia. **Underwriter**—Kidder, Peabody & Co., N. Y. (mgr.).

● Gluckin (Wm.) Co. Ltd. (10/23-27)

Aug. 25, 1961 filed 175,000 common. **Price**—\$10. **Business**—The manufacture of ladies' underclothing. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Globus, Inc., N. Y. C. (mgr.).

Golf Courses, Inc.

Aug. 28, 1961 filed 100,000 capital shares. **Price**—\$6. **Business**—The company plans to operate a public golf course and a private country club. **Proceeds**—For purchase of land, construction and general corporate purposes. **Office**—1352 Easton Rd., Warrington, Bucks County, Pa. **Underwriter**—Metropolitan Securities, Inc., Philadelphia (mgr.).

Green (Henry J.) Instruments, Inc.

Aug. 24, 1961 filed 140,000 common. **Price**—\$2.25. **Business**—The manufacture of precision meteorological instruments. **Proceeds**—For repayment of loans, equipment, salaries and general corporate purposes. **Office**—2500 Shames Dr., Westbury, N. Y. **Underwriter**—N. A. Hart & Co., Inc., Bayside, N. Y. (mgr.).

Continued on page 38

Continued from page 37

• **Greene (M. J.) Co. (10/2)**

June 14, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. Proceeds—For expansion, and working capital. Office—14 Wood St., Pittsburgh. Underwriter—Hess, Grant & Remington, Inc., Philadelphia.

• **Griesedieck Co.**

Sept. 11, 1961 filed 100,000 common to be offered for subscription by stockholders on the basis of one new share for each three held. Price—By amendment. Business—A closed-end investment company. Proceeds—For general corporate purposes. Office—314 N. Broadway, St. Louis. Underwriter—Edward D. Jones & Co., St. Louis (mgr.).

• **Gro-Rite Shoe Co., Inc. (10/23-27)**

July 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1970 to be offered for subscription by stockholders on the basis of one \$100 debenture for each 60 shares held. Price—At par. Business—The manufacture of specialized children's shoes. Proceeds—For new molds, construction and working capital. Address—Route 2, Box 129, Mount Gilead, N. C. Underwriter—None.

• **Growth, Inc. (11/6-10)**

May 17, 1961 (letter of notification) 100,000 shares of common stock (par \$1). Price—\$3 per share. Address—Lynn, Mass. Underwriter—Mann & Creesy, Salem, Mass.

• **Growth Properties (10/16)**

May 9, 1961 filed 100,000 shares of common stock. Price—To be supplied by amendment. Business—The company plans to engage in all phases of the real estate business. Proceeds—To reduce indebtedness, construct apartment units, buy land, and for working capital. Office—Suite 418, Albert Bldg., San Rafael, Calif. Underwriter—Pacific Coast Securities Co., San Francisco, Calif.

• **Gulf States Utilities Co. (10/3)**

Aug. 21, 1961 filed \$15,000,000 of debentures due 1981. Office—285 Liberty Avenue, Beaumont, Texas. Underwriters—Competitive. Probable bidders: Salomon Brothers & Hutzler and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. Bids—Oct. 3, 1961 at 11 a.m. (EDST) Information Meeting—Sept. 28 (11 a.m. EDST) at 70 Broadway (18th floor) N. Y.

• **Guy's Foods, Inc.**

Aug. 2, 1961 filed 97,000 common shares (par \$2). Price—\$10. Business—The processing of foods. Proceeds—For purchase of buildings, equipment and additional inventories. Office—2215 Harrison, Kansas City, Mo. Underwriter—Allen & Co., N. Y. (mgr.). Offering—Expected early November.

• **Halco Chemical Co.**

Aug. 25, 1961 filed 225,000 common. Price—\$2. Business—The manufacture of agricultural chemicals and related products. Proceeds—For general corporate purposes. Office—N. 14th St., and Lafayette Ave., Kenilworth, N. J. Underwriters—Ross, Lyon & Co., Inc., and Globus, Inc., N. Y. C. (co-mgrs.).

• **Hallmark Insurance Co., Inc.**

Aug. 3, 1961 filed 225,000 common shares. Price—\$3. Business—An insurance company. Proceeds—For capital and surplus. Office—636 S. Park St., Madison, Wis. Underwriters—Braun, Monroe & Co., Milwaukee and Harley, Haydon & Co., Inc., Madison.

• **Hamilton Electro Corp.**

Aug. 9, 1961 filed 135,000 common shares, of which 80,000 shares are to be offered by the company and 55,000 shares by stockholders. Price—\$7.50. Business—The distribution of solid state electronic parts and equipment. Proceeds—For inventory, new product lines, repayment of loans and working capital. Office—11965 Santa Monica Blvd., Los Angeles, Calif. Underwriter—William Norton Co., New York.

• **Hampton Sales Co., Inc. (10/3)**

July 27, 1961 filed 150,000 common shares. Price—\$4. Business—The operation of real discount stores. Proceeds—For repayment of bank loans and working capital. Office—8000 Cooper Ave., Glendale, L. I., N. Y. Underwriter—Godfrey, Hamilton, Magnus & Co., Inc., N. Y.

• **Handschy Chemical Co. (10/23-27)**

Aug. 25, 1961 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. Price—By amendment. Business—The manufacture of specialty printing inks, chemicals and supplies. Proceeds—For general corporate purposes. Office—2525 N. Elston Ave., Chicago. Underwriter—Blunt Ellis & Simmons, Chicago (mgr.).

• **Hannett Industries, Inc. (10/23-27)**

Aug. 11, 1961 ("Reg. A") 100,000 common shares (par one cent). Price—\$3. Business—The fabrication of components for missiles, jet engines, aircraft landing gears and precision machines. Proceeds—For machinery, research and development and working capital. Office—40 Sea Cliff Avenue, Glen Cove, N. Y. Underwriter—Albion Securities Co., Inc., New York.

• **Happy House, Inc. (10/23-27)**

July 28, 1961 filed 700,000 common shares. Price—\$1. Business—The marketing of gifts, candies and greeting cards through franchised dealers. Proceeds—For equipment, inventory and working capital. Office—11 Tenth Ave., S., Hopkins, Minn. Underwriter—None.

• **Harleysville Life Insurance Co.**

Sept. 21, 1961 filed 40,000 common. Price—\$15. Business—The writing of all types of life insurance and annuities. Proceeds—Working capital. Office—Harleysville, Pa. Underwriter—None.

• **Harn Corp.**

June 20, 1961 filed 134,148 common being offered for subscription by stockholders of record Sept. 21 with rights to expire Oct. 9. Price—\$10.25. Business—Manufacture of products for baby care such as quilts, pillows, knitted garments, etc. Proceeds—For the repayment of loans, purchase of raw materials and equipment, leasehold improvements, and working capital. Office—1800 E. 38th St., Cleveland. Underwriter—J. R. Williston & Beane, New York (managing).

• **Hartfield Stores, Inc.**

Sept. 25, 1961 filed \$5,000,000 of conv. subord. debentures due 1981. Price—By amendment. Business—Operation of retail apparel and discount department stores. Proceeds—Repayment of debt, expansion and working capital. Office—5330 W. 102nd St., Los Angeles. Underwriters—Van Alstyne, Noel & Co., N. Y., and Johnston, Lemon & Co., Wash., D. C.

• **Hawaiian Telephone Co.**

Aug. 15, 1961 filed 711,040 common are being offered for subscription by stockholders on the basis of one new share for each six held of record Sept. 25, 1961. Rights to expire Oct. 17, 1961. Price—By amendment. Proceeds—For working capital. Office—1130 Alakea St., Honolulu. Underwriter—Kidder, Peabody & Co., N. Y. (mgr.).

• **Hawthorne Financial Corp.**

Aug. 10, 1961 filed 33,117 capital shares. Price—By amendment. Business—A holding company for a savings and loan association and an insurance agency. Proceeds—For the selling stockholders. Office—305 S. Hawthorne Boulevard, Hawthorne, Calif. Underwriter—Crowell, Weedon & Co., Los Angeles.

• **Hexagon Laboratories, Inc.**

July 20, 1961 filed \$540,000 of 6% convertible subordinated debentures due 1976 and 90,000 common shares to be offered in units consisting of \$300 of debentures and 50 common shares. Price—\$500 per unit. Business—The manufacture of medicinal chemicals. Proceeds—For equipment, expansion, repayment of loans and working capital. Office—3536 Peartree Avenue, New York. Underwriter—Stearns & Co., New York (managing).

• **Hi-Shear Corp.**

Aug. 1, 1961 filed 139,500 common shares, of which 105,000 will be sold by the company and 34,500 by stockholders. Price—By amendment. Business—The manufacture of high strength fastening devices and assembly systems for the aircraft and missile industries. Proceeds—For construction, repayment of loans and other corporate purposes. Office—2600 W. 247th St., Torrance, Calif. Underwriter—William R. Staats & Co., Los Angeles.

• **Hickory Industries, Inc.**

Aug. 31, 1961 ("Reg. A") 40,000 common. Price—\$5. Business—The manufacture of barbecue machines and allied equipment. Proceeds—For equipment, inventory, sales promotion, expansion and working capital. Office—10-20 47th Rd., Long Island City, N. Y. Underwriter—J. B. Coburn Associates, Inc., N. Y. Offering—Expected sometime in October.

• **Hilco Homes Corp.**

June 30, 1961 filed \$650,000 of 6½% convertible subordinated debentures due 1979 and 195,000 common shares to be offered for public sale in 6,500 units, each consisting of one \$100 debenture and 30 common shares. Price—By amendment. Business—The manufacture of pre-cut homes and components in the heating, plumbing and kitchen equipment fields. Proceeds—To organize a new finance subsidiary, for plant expansion, and for working capital. Office—70th St., and Essington Ave., Philadelphia. Underwriter—Rambo, Close & Kerner, Inc. Philadelphia. Offering—Imminent.

• **Hoffman International Corp. (10/16-20)**

July 18, 1961 filed \$1,890,700 7% convertible subordinated debentures due 1973 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 25 shares held. Price—At par. Business—The manufacture of pressing and dry-cleaning equipment. Proceeds—For repayment of loans and general corporate purposes. Office—107 Fourth Ave., New York. Underwriter—J. R. Williston & Beane, New York.

• **Hogan Faximile Corp.**

July 26, 1961 filed 300,000 common shares. Price—By amendment. Business—The manufacture of electrolytic recording paper and equipment. Proceeds—For repayment of debt and working capital. Office—635 Greenwich St., New York. Underwriter—William R. Staats & Co., Los Angeles (managing).

• **Holly Stores, Inc. (10/2-6)**

July 28, 1961 filed 175,000 common shares, of which 100,000 shares are to be offered by the company and 75,000 shares by the stockholders. Price—By amendment. Business—The operation of a chain of women's and children's apparel stores. Proceeds—For land purchase, inventory and general corporate purposes. Office—115 Fifth Ave., N. Y. Underwriter—Allen & Co., N. Y.

• **Hollywood Artists Productions Inc.**

July 28, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The production of motion picture and TV feature films. Proceeds—For repayment of loans, producers' fee, stories and working capital. Office—350 Lincoln Rd., Miami Beach, Fla. Underwriter—A. M. Shulman & Co., Inc., N.Y. 37 Wall St., N.Y.

• **Houston Corp.**

June 9, 1961 filed 583,334 common shares to be offered for subscription by holders of common and class A stock. Price—By amendment. Business—The operation of a pipe line system of natural gas. Proceeds—For expansion, working capital and general corporate purposes. Office—First Federal Bldg., St. Petersburg, Fla. Underwriters—Blyth & Co., Inc., Lehman Brothers and Allen & Co., New York.

• **Hygiene Industries Inc.**

Sept. 20, 1961 filed 200,000 common. Price—\$5. Business—Manufacturer of shower and window curtains. Proceeds—For selling stockholders. Office—261 5th Ave., N. Y. Underwriter—Milton D. Blauner & Co., N. Y.

• **Hygrade Packaging Corp.**

Aug. 30, 1961 filed 100,000 class A. Price—By amendment. Business—The manufacture of paper cartons and boxes. Proceeds—For product development, expansion, repayment of a loan and working capital. Office—92-00 Atlantic Ave., Ozone Park, N. Y. Underwriter—P. J. Gruber & Co., Inc., N. Y. (mgr.).

• **Idaho Power Co. (11/1)**

Sept. 26, 1961 filed 200,000 common. Price—By amendment. Office—1220 Idaho St., Boise, Idaho. Underwriters—(Competitive). Probable bidders: Blyth & Co., Inc.; Lazard Freres & Co.; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc. Bids—Expected Nov. 1.

• **Idaho Power Co. (11/1)**

Sept. 26, 1961 filed \$10,000,000 first mortgage bonds due 1991. Office—1220 Idaho St., Boise, Idaho. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; Lazard Freres & Co.—First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.—White, Weld & Co. (jointly); Salomon Brothers & Hutzler-Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp. Bids—Expected Nov. 1.

• **Ihnen (Edward H.) & Son, Inc. (10/23-27)**

May 16, 1961 filed 75,000 shares of common stock. Price—\$5 per share. Business—The construction of public and private swimming pools and the sale of pool equipment. Proceeds—To reduce indebtedness, to buy equipment, and for working capital. Office—Montvale, N. J. Underwriter—Amos Treat & Co., Inc., New York City.

• **Illinois Capital Investment Corp.**

Sept. 19, 1961 filed 250,000 common. Price—By amendment. Business—A small business investment company. Office—20 North Wacker Dr., Chicago, Ill. Underwriter—Blair & Co. Inc., N. Y.

• **Income Planning Corp.**

Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. Price—\$40 per unit. Proceeds—To open a new branch office, development of business and for working capital. Office—3300 W. Hamilton Boulevard, Allentown, Pa. Underwriter—Espy & Wanderer, Inc., Teaneck, N. J. Offering—Expected sometime in Oct.

• **Industrial Gauge & Instrument Co., Inc.**

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$3. Business—The sale of industrial gauges, valves and allied products. Proceeds—For production, inventory, working capital and repayment of loans. Office—1403 E. 180th St., New York 69, N. Y. Underwriter—R. F. Dowd & Co., Inc., N. Y. Note—This letter will be refilled.

• **Industrionics Controls, Inc.**

July 26, 1961 filed 84,000 common shares. Price—\$5. Business—The manufacture of electronic controls for the monitoring of machinery. Proceeds—For repayment of a loan, purchase of raw material and equipment, advertising, establishment of a field engineering service organization and other corporate purposes. Office—20 Vandam St., N. Y. Underwriter—Jacey Securities Co., N. Y. (managing).

• **Instrument Systems Corp. (10/2-6)**

June 28, 1961 filed 150,000 common shares (par 25 cents). Price—\$5. Business—The manufacture of precision instruments and controls for the aircraft and electronics industries. Proceeds—For expansion and working capital. Office—129-07 18th Avenue, College Point, N. Y. Underwriters—Milton D. Blauner & Co. (managing), M. L. Lee & Co., Inc., Lieberbaum & Co., New York.

• **Intercontinental Dynamics Corp. (10/2-6)**

July 18, 1961 ("Reg. A") 200,000 common shares. Price—\$1.50. Business—The manufacture of electronic and electro-mechanical devices used to determine the accuracy of aircraft flight instruments. Office—170 Coolidge Avenue, Englewood, N. J. Underwriter—M. H. Woodhill Inc., New York.

• **Interior Communications Systems, Inc.**

Aug. 25, 1961 ("Reg. A") 220,000 common. Price—\$1.15. Proceeds—For establishment of a Chicago branch office and the purchase of inventories. Office—2430 Nicollet Ave., Minneapolis. Underwriter—McDonald, Anderson, Peterson & Co., Inc., Minneapolis. Offering—Expected in late October.

• **International House of Pancakes, Inc.**

Aug. 28, 1961 filed \$600,000 of 6% convertible subordinated debentures due 1976 and 81,250 common. Price—By amendment. Business—The distribution of food items for restaurants. Proceeds—For expansion, repayment of loans and general corporate purposes. Office—6837 Lankershim Blvd., North Hollywood, Calif. Underwriter—L. F. Rothschild & Co., N. Y. (mgr.).

• **International Housing Corp.**

Aug. 16, 1961 filed 440,000 common shares. Price—\$1.15. Business—For construction and financing of shell homes. Proceeds—For working capital and general corporate purposes. Office—2101 N. E. Broadway, Minneapolis. Underwriter—Bratter & Co., Inc., Minneapolis.

• **International Management Corp.**

Aug. 21, 1961 ("Reg. A") 100,000 common (par \$1). Price—\$3. Proceeds—For loans to subsidiaries and working capital. Office—7510 B. Granby St., Norfolk, Va. Underwriter—J. B. McLean & Co., Inc., Norfolk, Va.

Interphoto Corp.

Sept. 15, 1961 filed 200,000 class A common. Price—\$9. **Business**—The wholesale distribution of photographic and sound equipment and supplies. **Proceeds**—For the selling stockholders. **Office**—45-17 Pearson St., Long Island City, N. Y. **Underwriters**—C. E. Unterberg, Townbin Co., and Arnhold & S. Bleichroeder, Inc., N. Y.

Interstate Bowling Corp.

July 25, 1961 filed 150,000 common shares. Price—\$3.50. **Business**—The acquisition and operation of bowling centers in Colorado, California and other states. **Proceeds**—For repayment of debts and general corporate purposes. **Office**—10391 Magnolia Ave., Riverside, Calif. **Underwriter**—Currier & Carlsen, Inc., San Diego.

Interstate Fire & Casualty Co. (10/10)

Aug. 25, 1961 filed 100,000 common. Price—By amendment. **Business**—The writing of general insurance. **Office**—501 Livingston Bldg., Bloomington, Ill. **Underwriter**—White, Weld & Co., N. Y. C. (mgr.)

Ivest Fund, Inc.

Feb. 20, 1961 filed 150,000 shares of common stock. Price—Net asset value at the time of the offering. **Business**—A non-diversified, open-end investment company, whose stated objective is capital appreciation. **Proceeds**—For investment. **Office**—One State Street, Boston. **Underwriter**—Ivest, Inc., One State Street, Boston.

James Vending Machine Co., Inc.

Aug. 11, 1961 ("Reg. A") 100,000 common shares (par 10c). Price—\$3. **Business**—The sale, servicing and operation of vending machines. **Proceeds**—For purchase of trucks, development and general corporate purposes. **Office**—5523 Illinois Ave., N. W., Washington 11, D. C. **Underwriter**—Mitchell, Carroll & Co., Inc., 1101 Connecticut Ave., N. W., Washington, D. C.

Japan Development Bank (10/4)

Sept. 8, 1961 filed \$20,000,000 of guaranteed external loan bonds to be offered for public sale in four series (5% to 6% interest) due from 1964 to 1976. Price—By amendment. **Business**—The bank was organized by the Japanese Govt. in 1951 to supply long-term funds to Japanese industry for the promotion of economic reconstruction and industrial development. **Proceeds**—To make loans to private electric power companies for expansion purposes. **Office**—Tokyo, Japan. **Underwriters**—First Boston Corp., Dillon, Read & Co. Inc., and Smith, Barney & Co. Inc.

Jarrell-Ash Co.

Aug. 17, 1961 filed 60,000 class A common shares and 9,000 outstanding voting trust certificates (representing beneficial interest in 9,000 class B common shares). Price—By amendment. **Business**—The manufacture of optical instrumentation. **Proceeds**—For repayment of loans and working capital. **Office**—7 Farwell St., Newtonville, Mass. **Underwriters**—Stearns & Co., New York and Clayton Securities Corp., Boston. **Offering**—Expected in early November.

Jayark Films Corp. (10/18)

Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. Price—By amendment. **Business**—The distribution of motion picture and television films. **Proceeds**—For production of films and working capital. **Office**—15 E. 48th St., N. Y. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Johnson Electronics, Inc.

Sept. 8, 1961 filed 125,000 capital shares. Price—By amendment. **Business**—The design and production of special electronic components for the commercial and military market. **Proceeds**—For the repayment of debt, and working capital. **Address**—Box 7, Casselberry, Fla. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia.

Joyce Teletronics Corp.

Aug. 31, 1961 ("Reg. A") 55,000 common. Price—\$5. **Business**—The manufacture of electronic instruments used in communication. **Proceeds**—For working capital, new products and repayment of loans. **Office**—20 Madison Ave., Hicksville, N. Y. **Underwriter**—General Securities Co., Inc., N. Y. **Offering**—Expected sometime in December.

Julyn Sportswear, Inc.

Sept. 7, 1961 filed 125,000 class A. Price—\$5. **Business**—The manufacture of maternity clothes and sportswear. **Proceeds**—For working capital. **Office**—237 W. 35th St., N. Y. **Underwriter**—Mortimer B. Burnside & Co., Inc., N. Y.

Kaiser Electronics, Inc.

Aug. 22, 1961 ("Reg. A") 50,000 common. Price—\$4.50. **Business**—The manufacture of electronic power conversion equipment. **Proceeds**—For repayment of loans, new products, equipment, inventory, sales promotion and working capital. **Office**—3 Monroe St., Union N. J. **Underwriter**—Schirmer, Atherton & Co., Boston.

Kaufman & Broad Building Co. (10/9-13)

Aug. 11, 1961 filed 174,500 common shares, of which 124,500 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. **Business**—The construction and sale of low-priced homes. **Proceeds**—For repayment of loans and working capital. **Office**—18610 W. Eight Mile Road, Southfield, Mich. **Underwriter**—Bache & Co., New York (managing).

Keller Corp. (10/16)

June 29, 1961 filed \$1,200,000 of 6½% convertible subordinated debentures due 1968. Price—At 100%. **Business**—The development of land, construction of homes and related activities in Florida. **Proceeds**—For repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. **Office**—101 Bradley Place, Palm Beach, Fla. **Underwriter**—Casper Rogers & Co., Inc., New York (managing).

Kendall Industries, Inc.

Sept. 11, 1961 filed 150,000 common, of which 100,000 are to be offered by the company and 50,000 by a selling stockholder. Price—\$4. **Business**—The manufacture of sliding aluminum windows and doors. **Proceeds**—For equipment and general corporate purposes. **Office**—5581 Air Terminal Dr., Fresno, Calif. **Underwriter**—Currier & Carlsen, Inc., Los Angeles (mgr.).

Kent Dry Cleaners, Inc. (11/2)

Aug. 25, 1961 filed 165,000 common, of which 45,000 are to be offered by the company and 120,000 by stockholders. Price—\$5. **Business**—The dry cleaning and storage of clothes. **Proceeds**—For working capital and general corporate purposes. **Office**—1745 Clintonville St., Whitestone (Queens) N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y. C.

Kent Washington, Inc.

July 19, 1961 filed 200,000 common shares. Price—\$5. **Business**—General real estate. **Proceeds**—For repayment of loans, working capital, construction and other corporate purposes. **Office**—1420 K Street, N. W., Wash., D. C. **Underwriter**—Hodgdon & Co., Inc., Wash., D. C.

Kentucky Central Life & Accident Insurance Co.

Aug. 16, 1961 filed 400,000 class A non-voting common shares, of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price—From \$13 to \$17 per share. **Proceeds**—To increase capital and surplus. **Address**—Anchorage, Ky. **Underwriter**—Stifel, Nicolaus & Co., St. Louis (managing).

Keystone Alloys Co.

Aug. 10, 1961 filed 42,000 common shares. Price—By amendment. **Business**—The manufacture of aluminum siding and doors and accessories. **Proceeds**—For acquisitions and repayment of loans. **Office**—511 Mellon Bank Building, Latrobe, Pa. **Underwriter**—Singer, Deane & Scribner, Pittsburgh (managing).

Keystone Steel & Wire Co. (10/9-13)

Aug. 23, 1961 filed \$20,000,000 of convertible subordinated debentures due 1981. Price—By amendment. **Business**—The production of steel. **Proceeds**—For the repayment of debt and working capital. **Office**—Peoria, Ill. **Underwriters**—Hornblower & Weeks and Eastman Dillon, Union Securities & Co. (co-mgrs.) **Offering**—Expected in mid-October.

Kiddie Rides, Inc.

Sept. 12, 1961 filed \$1,000,000 of 7% convertible subordinated debentures due 1971 and 30,000 common to be offered in units of \$1,000 debentures and 30 of common. Price—By amendment. **Business**—The operation of coin operated children's amusement equipment. **Proceeds**—For repayment of loans, equipment and general corporate purposes. **Office**—2557 W. North Ave., Chicago. **Underwriter**—Paul C. Kimball & Co., Chicago.

King's Office Supplies & Equipment, Inc.

July 5, 1961 ("Reg. A") 65,000 common shares (par \$1). Price—\$2. **Proceeds**—For inventory and working capital. **Office**—515-5th St., Santa Rosa, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Offering**—Imminent.

Knappe & Vogt Manufacturing Co.

Sept. 11, 1961 filed 263,750 common. Price—By amendment. **Business**—The manufacture of specialty hardware items. **Proceeds**—For the selling stockholders. **Office**—658 Richmond St., N. W. Grand Rapids, Mich. **Underwriter**—Glore, Forgan & Co., N. Y. (mgr.).

Korfund, Inc.

Sept. 8, 1961 filed \$600,000 of 6½% convertible subordinated debentures due 1971 and 180,000 common to be offered for public sale in units, each consisting of \$100 of debentures and 30 common. Of the 180,000 shares, 40,000 will be sold by the company and 140,000 by Massachusetts Mohair Plush Co., Inc., sole stockholder. Price—By amendment. **Business**—The manufacture of vibration, shock and noise control products and the distribution of European made electronic and mechanical instruments. **Proceeds**—For the repayment of debt, and working capital. **Office**—16 E. 34th St., N. Y. **Underwriter**—Street & Co., Inc., N. Y. (mgr.).

Kronfeld (Phil), Inc.

July 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. **Business**—The operation of men's retail stores. **Proceeds**—For a new store, working capital and general corporate purposes. **Office**—201 W. 49th St., N. Y. **Underwriter**—Kerns, Bennett & Co., Inc., N. Y.

Kulicke & Soffa Manufacturing Co.

Aug. 15, 1961 filed 122,980 common shares, of which 100,000 shares are to be offered by the company and 22,980 shares by stockholders. Price—By amendment. **Business**—The manufacture of machinery for production of transistors and similar devices. **Proceeds**—For payment of taxes, new products, down payment on a new plant and general corporate purposes. **Office**—401 N. Broad St., Philadelphia. **Underwriter**—Marron, Sloss & Co., Inc., New York (managing).

L. L. Drug Co., Inc.

July 26, 1961 filed 100,000 common shares. Price—\$4.50. **Business**—The manufacture of pharmaceuticals. **Proceeds**—For repayment of a loan, purchase of equipment, research and development, advertising and working capital. **Office**—1 Bala Ave., Bala-Cynwyd, Pa. **Underwriter**—Stevens Investment Co., Bala-Cynwyd, Pa. **Offering**—Expected in late October.

Lance, Inc.

Aug. 30, 1961 filed 364,000 common. Price—By amendment. **Business**—The manufacture of peanut butter filled delicacies. **Proceeds**—For the selling stockholders. **Office**—1304 S. Blvd., Charlotte, N. C. **Underwriter**—R. S. Dickson & Co., Charlotte, N. C. (mgr.).

Lee Filter Corp.

July 7, 1961 ("Reg. A") 1,334 capital shares (par \$1). Price—\$7.25. **Business**—The manufacture of air, oil and

gasoline filters for vehicles. **Proceeds**—For the selling stockholders. **Office**—191 Talmadge Road, Edison, N. J. **Underwriter**—Omega Securities Corp., N. Y. (mgr.). **Offering**—Imminent.

Lewis & Clark Marina, Inc. (10/9-13)

May 9, 1961 (letter of notification) 150,000 shares of common stock (par \$1). Price—\$2 per share. **Address**—Yankton, S. D. **Underwriter**—The Apache Investment Planning Division of the Apache Corp., Minneapolis.

Lewis (Tillie) Foods, Inc. (10/2-6)

July 3, 1961 filed 400,000 common shares (par \$1), of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price—By amendment. **Business**—The processing, canning, bottling and selling of fruits and vegetables. **Proceeds**—For repayment of debt and working capital. **Office**—Fresno Ave. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., New York (managing).

Libby International Corp.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. **Business**—The distribution of tractors and farm equipment manufactured by Kramer-Werke, a German company. **Proceeds**—For repayment of loans, inventory and working capital. **Office**—325 W. Houston Street, New York. **Underwriter**—Tau Inc., New York.

Liberian American-Swedish Minerals Co.

Sept. 14, 1961 filed \$5,871,500 of 4.167% subordinated debentures due 1985 to be offered for subscription by stockholders of International African American Corp. Latter stockholders will receive Class C rights to acquire the debentures and 176,145 of Liberian Iron Ore Ltd., parent, in units, each consisting of \$100 of debentures and 3 Liberian Iron Ore. Price—\$104 per unit. **Business**—The commercial exploitation of iron ore deposits in Liberia. **Proceeds**—For the selling stockholder. **Address**—Monrovia, Liberia. **Underwriter**—None.

Liberian Iron Ore Ltd.

Sept. 14, 1961 filed 436,327 capital shares to be offered for subscription by stockholders of International African American Corp. Latter stockholders will receive class A rights to acquire 40,000 capital shares on the basis of one for each 22 held; class B rights to acquire 220,182 on the basis of one for each four held; and class C rights to acquire 176,145 shares and \$5,871,500 of debentures of Liberian American-Swedish Minerals Co., subsidiary, in units, each consisting of \$100 of debentures and three Liberian Iron shares. Price—Class A—\$10; Class B—\$15.85; Class C—\$104 per unit. **Proceeds**—For the selling stockholder. **Business**—A holding company for stock of Liberian American-Swedish Minerals Co., which is engaged in the exploitation of iron ore deposits in Liberia. **Address**—Prince Edward Island, Canada. **Underwriter**—None.

Lido Corp. (10/23-27)

Aug. 29, 1961 ("Reg. A") 84,000 common. Price—\$3.25. **Business**—The manufacture of toys, games and novelties. **Proceeds**—For new equipment, advertising, and repayment of loans. **Office**—349 Rider Ave., Bronx 51, N. Y. **Underwriter**—Flomenhaft, Seidler & Co., Inc., N. Y.

Lincoln Fund, Inc. (10/16-20)

March 30, 1961 filed 951,799 shares of common stock. Price—Net asset value plus a 7% selling commission. **Business**—A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., New York.

Lincoln Liberty Life Insurance Co. (10/30-11/3)

Sept. 15, 1961 filed 200,000 common. Price—By amendment. **Business**—The writing of ordinary life insurance. **Proceeds**—For the selling stockholders. **Office**—1518 Milam St., Houston, Texas. **Underwriter**—Bache & Co., New York.

Liverpool Industries, Inc. (10/4)

Aug. 1, 1961 "Reg. A" 85,700 common shares (par 10 cents). Price—\$3.50. **Business**—The manufacture of precision parts for the aircraft and electronic industries. **Proceeds**—For sales promotion and working capital. **Office**—162 57th Street, Brooklyn, N. Y. **Underwriter**—Arden Perin & Co., Inc., New York.

Lomart Perfected Devices, Inc.

Sept. 14, 1961 filed 100,000 common. Price—\$5. **Business**—The manufacture of pool filters and accessories and tools, dies, metal stampings, etc. **Proceeds**—For moving expenses, purchase of equipment, promotion of a new product and working capital. **Office**—199 Bleecker St., Brooklyn, N. Y. **Underwriter**—None.

Londontown Manufacturing Co.

Aug. 8, 1961 filed 150,000 common shares. Price—By amendment. **Business**—The manufacture of rainwear and golf jackets. **Office**—3600 Clipper Mill Road, Baltimore. **Underwriter**—Alex. Brown & Sons, Baltimore.

Long Island Bowling Enterprises, Inc.

May 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). Price—\$3 per share. **Business**—The operation of bowling alleys. **Proceeds**—For general corporate purposes. **Address**—Mattituck, L. I., N. Y. **Underwriter**—Trinity Securities Corp., N. Y. C. **Offering**—Imminent.

Longs Drug Stores, Inc. (10/10)

Aug. 24, 1961 filed 190,000 outstanding common. Price—By amendment. **Business**—The company operates a chain of drug stores in California and Hawaii. **Proceeds**—For the selling stockholders. **Office**—5301 Broadway, Oakland, Calif. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc. N. Y. C. (mgr.).

Continued on page 40

Continued from page 39

Lortogs, Inc.

July 26, 1961 filed 200,000 common shares, of which 150,000 shares are to be offered by the company and 50,000 shares by the stockholders. **Price**—\$6.50. **Business**—The manufacture of children's sportswear. **Proceeds**—For repayment of loans; inventories; new products; working capital, and general corporate purposes. **Office**—85 Tenth Ave., New York. **Underwriter**—Reich & Co., N. Y. (mgr.). **Offering**—Expected in mid-October.

★ Louis Sherry Preserves, Inc.

Sept. 21, 1961 filed 200,000 common. **Price**—\$4. **Business**—Manufacture of fresh fruit preserves and jellies. **Proceeds**—Plant expansion, advertising, repayment of debt, and working capital. **Office**—30-30 Northern Blvd., Long Island City, N. Y. **Underwriter**—Stanley Heller & Co., N. Y.

★ Lowe's Companies, Inc. (10/9-13)

July 28, 1961 filed 388,250 common shares. **Price**—By amendment. **Business**—The retail and wholesale distribution of building supplies, household fixtures and appliances, etc. **Proceeds**—For the selling stockholders. **Address**—North Wilkesboro, N. C. **Underwriter**—G. H. Walker & Co., Inc., New York (managing).

★ Lum's, Inc. (10/16)

Sept. 14, 1961 ("Reg. A") 100,000 class A common. **Price**—\$1. **Proceeds**—For expansion. **Business**—The operation of a specialty restaurant chain. **Office**—2302 Collins Ave., Miami Beach, Fla. **Underwriter**—Bayes, Rose & Co., Inc., N. Y.

Lunar Enterprises, Inc.

Aug. 31, 1961 filed 125,000 common. **Price**—\$5.75. **Business**—The production of television films. **Proceeds**—For filming and production and working capital. **Office**—1501 Broadway, N. Y. **Underwriter**—Ehrlich, Irwin & Co., Inc., 50 Broadway, N. Y.

Lundy Electronics & Systems, Inc.

Sept. 19, 1961 filed 175,000 common. **Price**—\$4. **Business**—The manufacture of electronic, electro-mechanical and hydraulic systems for aircraft, missiles and space vehicles. **Proceeds**—For research and development, sales promotion and working capital. **Office**—Glen Head, N. Y. **Underwriter**—Michael G. Kletz & Co., Inc., N. Y.

Lusk Corp. (11/6-10)

Aug. 30, 1961 filed \$1,250,000 of 6½% convertible subordinated debentures due 1971, 200,000 common and 5-year warrants to purchase 50,000 common to be offered in 50 units each consisting of \$25 of debentures, 4 common and one warrant. **Price**—By amendment. **Business**—Development of residential communities. **Proceeds**—For working capital and general corporate purposes. **Office**—6910 E. Broadway, Tucson. **Underwriter**—Burnham & Co., N. Y. (mgr.).

M P I Glass Fibers, Inc.

April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—\$2 per share. **Business**—The manufacture of a new patented fiber glass material to be used in rocket motor cases. **Proceeds**—For expenses, equipment and working capital. **Office**—1025 Shoreham Bldg., Washington, D. C. **Underwriter**—Atlantic Equities Co., Washington, D. C. **Note**—This company formerly was named Industrial Materials, Inc.

★ MacLevy Associates, Inc. (10/2-6)

July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). **Price**—\$2. **Business**—The distribution of health, exercise and slenderizing equipment. **Proceeds**—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. **Office**—189 Lexington Ave., N. Y. 16, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

★ Magazines For Industry, Inc. (10/16-20)

Aug. 2, 1961 filed 135,000 common shares. **Price**—By amendment. **Business**—The publishing of business periodicals. **Proceeds**—For promotion, a new publication and working capital. **Office**—660 Madison Ave., New York. **Underwriter**—S. D. Fuller & Co., N. Y. (mgr.).

Magna Pipe Line Co., Ltd.

June 1, 1961 filed 750,000 common shares, of which 525,000 will be offered for sale in the U. S., and 225,000 in Canada. **Price**—By amendment. **Business**—The company plans to build and operate an underwater natural gas transmission pipeline from British Columbia to Vancouver Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. **Proceeds**—For construction. **Office**—508 Credit Foncier Bldg., Vancouver, B. C. **Underwriters**—(In U. S.) Bear, Stearns & Co., New York. (In Canada) W. C. Pittfield & Co., Ltd., Montreal. **Offering**—Expected in late October.

★ Mairs & Power Income Fund, Inc. (10/16-20)

June 7, 1961 filed 40,000 common shares. **Price**—By amendment. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—1002 First National Bank Bldg., St. Paul, Minn. **Underwriter**—None.

Major Finance Corp.

Aug. 18, 1961 filed \$200,000 of 7% senior subordinated debentures due 1971 (with attached warrants) and 100,000 common shares to be offered in units consisting of \$100 debenture (with a warrant to purchase one common share at \$4) and 50 common shares. **Price**—\$300 per unit. **Business**—Consumer finance. **Proceeds**—For working capital. **Office**—912 Thayer Ave., Silver Spring, Md. **Underwriter**—Manhattan Eastern Corp., N. Y. (mgr.).

Malone & Hyde, Inc.

Sept. 1, 1961 filed 275,000 common, of which 100,000 are to be offered by the company and 175,000 by the stockholders. **Price**—By amendment. **Business**—The procurement, warehousing and sale of groceries, meats, produce, etc., to retail grocers. **Proceeds**—For working capital. **Office**—1700 Dunn Ave., Memphis. **Underwriter**—Equitable Securities Corp., Nashville (mgr.).

★ Manson Laboratories, Inc.

Sept. 26, 1961 filed 200,000 common. **Price**—\$5. **Business**—Research and manufacture of equipment for military and industrial applications. **Proceeds**—Repayment of debt, equipment research and development, and working capital. **Office**—375 Fairfield Ave., Stamford, Conn. **Underwriter**—Amos Treat & Co., N. Y.

March Dynamics Inc.

Aug. 28, 1961 filed 125,000 common. **Price**—\$2.50. **Business**—The manufacture of mechanical and electro-mechanical components. **Proceeds**—For equipment and working capital. **Office**—920 S. Oyster Bay Rd., Hicksville, N. Y. **Underwriter**—Paul Eisenberg & Co., N. Y. C.

Mark Truck Rental Corp.

June 28, 1961 ("Reg. A") 50,000 common shares (par one cent). **Price**—\$1. **Proceeds**—For working capital. **Office**—301 Cliff Ave., Scranton, Pa. **Underwriter**—Vickers Securities Corp., N. Y. **Offering**—Imminent.

Marks Polarized Corp.

June 27, 1961 filed 95,000 common shares. **Price**—By amendment. **Proceeds**—For expansion, acquisition of new facilities and other corporate purposes. **Office**—153-16 Tenth Ave., Whitestone, N. Y. **Underwriters**—Ross, Lyon & Co., Inc. (mgr.), Glass & Ross, Inc., and Globus, Inc., N. Y. C.

Marlene Industries Corp. (10/23-27)

Aug. 29, 1961 filed 225,000 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$7. **Business**—The manufacture of ladies' wear. **Proceeds**—For working capital. **Office**—141 W. 36th St., N. Y. C. **Underwriter**—Bernard M. Kahn & Co., Inc., N. Y. C.

Marshall Industries (10/16-20)

Aug. 4, 1961 filed 131,305 common shares to be offered for subscription by stockholders on the basis of one new share for each four shares held. **Price**—By amendment. **Business**—The manufacture of electronic components and instruments primarily for space and missile applications. **Proceeds**—For repayment of debt and advances to subsidiaries. **Office**—2065 Huntington Dr., San Marino, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., N. Y. (mgr.).

McIntosh (J. R. C.), Inc.

Aug. 22, 1961 ("Reg. A") 150,000 common. **Price**—\$2. **Proceeds**—For repayment of loans, tools and equipment, sales promotion and working capital. **Office**—1 McIntosh Lane, El Dorado, Calif. **Underwriters**—Walter C. Gorey Co., San Fran., and Beckman & Co., Inc., Lodi, Calif.

Medco, Inc. (10/2-6)

July 13, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The operation of jewelry concessions in closed-door membership department stores. **Proceeds**—For expansion. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriters**—Barret, Fitch, North & Co., Inc. (managing) and Midland Securities Co., Inc., Kansas City, Mo.

★ Meehan-Tooker Co., Inc.

Sept. 8, 1961 filed 100,000 common. **Price**—\$5. **Business**—The printing of advertising material, annual reports, booklets etc., by offset lithography. **Proceeds**—For the purchase of a high-speed press, the repayment of debt, establishment of a new department, and working capital. **Office**—170 Varick St., N. Y. **Underwriters**—Harry Odzer Co., N. Y. and Bruno-Lenchner, Inc., Pittsburgh. **Offering**—Expected sometime in December.

★ Mercury Photo Corporation

Sept. 26, 1961 filed 100,000 class A. **Price**—\$5. **Business**—Processing and wholesaling of photographic film, etc. **Proceeds**—For expansion, equipment, and working capital. **Office**—275 Clinton Ave., Newark, N. Y. **Underwriter**—General Securities Co., N. Y.

★ Mesur-Matic Electronics Corp.

Sept. 5, 1961 ("Reg. A") 120,000 common shares. **Price**—\$2. **Business**—The manufacture of electronic measuring and testing equipment. **Address**—Bradford, N. H. **Underwriter**—Hopkins, Calamari & Co., Inc., N. Y. **Offering**—Imminent.

Met Food Corp.

Aug. 25, 1961 filed 150,000 common. **Price**—\$4. **Business**—The distribution of food to retail stores in New York City. **Proceeds**—For general corporate purposes. **Office**—345 Underhill Blvd., Syosset, N. Y. **Underwriter**—Brand, Grumet & Seigel, Inc., N. Y. C. (mgr.).

Metal Bellows Corp.

Sept. 1, 1961 filed 140,000 common, of which 120,000 are to be offered by the company and 20,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of welded diaphragm bellows. **Proceeds**—For moving expenses, equipment, research and development, repayment of debt and working capital. **Office**—27 Mica Lane, Wellesley, Mass. **Underwriter**—Estabrook & Co., Boston.

★ Metallurgical International, Inc.

Sept. 26, 1961 filed 145,000 class A. **Price**—\$3. **Business**—Reprocessing and manufacturing of rare refractory metals. **Proceeds**—Repay debt, taxes, purchase equipment, and working capital. **Office**—174 Main Ave., Wellington, N. J. **Underwriter**—Mortimer B. Burnside & Co., N. Y.

Metropolitan Telecommunications Corp.

Sept. 15, 1961 filed 240,000 common, of which 225,000 will be sold for the company and 15,000 for a stockholder. **Price**—By amendment. **Business**—The manufacture of communications equipment, transformers, filters, relays, etc. **Proceeds**—For the purchase of Grow Solvent Co., Inc., and for working capital. **Office**—Ames Court, Plainview, N. Y. **Underwriters**—M. L. Lee & Co., and Milton Blauner & Co., N. Y.

Micro-Lectric, Inc.

June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). **Price**—\$4. **Business**—The manufacture and de-

sign of potentiometers used in computers, ground control guidance systems and missiles. **Proceeds**—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. **Office**—19 Debevoise Avenue, Roosevelt, N. Y. **Underwriter**—Underhill Securities Corp., N. Y. **Offering**—Imminent.

★ Micro-Precision Corp. (10/9-13)

July 28, 1961 ("Reg. A") 100,000 common shares (par 20 cents). **Price**—\$3. **Business**—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and micro-wave components. **Proceeds**—For expansion and working capital. **Office**—55 Ninth St., Brooklyn, N. Y. **Underwriters**—Manufacturers Securities Corp., New York (managing); Bioren & Co., Boenning & Co., Philadelphia, Chace, Whiteside & Winslow, Inc., Draper, Sears & Co., and Schirmer, Atherton & Co., Boston.

★ Middle Atlantic Credit Corp. (10/9-13)

July 27, 1961 filed \$120,000 of 6½% subordinated debentures due 1971 and 60,000 common shares to be offered in units consisting of \$200 of debentures and 100 shares of stock. **Price**—\$500 per unit. **Business**—A commercial and industrial finance company. **Proceeds**—For working capital. **Office**—1518 Walnut St., Philadelphia. **Underwriters**—R. L. Scheinman & Co., and A. W. Benkert & Co., Inc., New York.

★ Middle Atlantic Investment Co. (10/26)

June 22, 1961 filed 70,000 common shares. **Price**—\$10. **Business**—An investment company. **Proceeds**—For investment and working capital. **Address**—Elkins Park, Pa. **Underwriter**—Best & Garey Co., Inc., Wash., D. C.

★ Midwest Budget & Loan Corp.

Sept. 12, 1961 filed \$300,000 of 6% subordinated debentures due Aug. 1, 1973 to be offered in units of \$500 and \$1,000. **Business**—Purchasing of conditional sales contracts. **Office**—5806 W. Burleigh St., Milwaukee, Wis. **Underwriter**—The Marshall Co., Milwaukee.

★ Midwest Technical Development Corp. (10/16-20)

July 14, 1961 filed 800,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—2615 First National Bank Bldg., Minneapolis. **Underwriters**—Lee Higginson Corp., New York and Piper, Jaffray & Hopwood, Minneapolis.

★ Midwestern Financial Corp.

Aug. 28, 1961 filed 260,000 common, of which 75,000 are to be offered by the company and 185,000 by stockholders. **Price**—By amendment. **Business**—A holding company for savings and loan associations, mortgage companies, a manufacturing company, a small business investment company, etc. **Proceeds**—For repayment of debt. **Office**—2011-13th St., Boulder, Colo. **Underwriters**—Boettcher & Co. and Bosworth, Sullivan & Co., Inc., Denver (co-mgrs.).

★ Milgray Electronics, Inc.

Sept. 26, 1961 filed 166,667 common. **Price**—By amendment. **Business**—Wholesaler and distributor of electronic parts. **Office**—136 Liberty St., N. Y. **Underwriter**—Marion, Sloss & Co., Inc., N. Y.

★ Milo Components, Inc.

Aug. 15, 1961 ("Reg. A") 170,000 class A shares (par 10 cents). **Price**—\$1. **Business**—The manufacture of precision components, assemblies for aircraft, armaments, computers, floor waxers and industrial vacuum cleaners. **Proceeds**—For equipment, research and development, repayment of loans and working capital. **Office**—9 Cleveland Street, Valley Stream, N. Y. **Underwriter**—Nelson Securities, Inc., Hempstead, N. Y.

★ Miner Industries, Inc. (10/23-27)

Aug. 10, 1961 filed 120,000 common shares. **Price**—\$4.50. **Business**—The manufacture of toys. **Proceeds**—For new products, advertising and working capital. **Office**—430 Southern Boulevard, New York. **Underwriters**—Golkin, Bomback & Co. and Oppenheimer & Co., New York.

Minuit Investing Corp.

Aug. 4, 1961 ("Reg. A") 28,000 shares of 80 cents cumulative, participating preferred stock (par \$1). **Price**—\$10. **Business**—An investment company. **Proceeds**—For acquisitions, working capital and general corporate purposes. **Office**—225 Broadway, New York 7, N. Y. **Underwriter**—Pine Tree Securities, Inc., N. Y.

Miss Pat

Aug. 31, 1961 filed 100,000 outstanding common. **Price**—By amendment. **Business**—The manufacture of women's apparel. **Proceeds**—For the selling stockholders. **Office**—860 S. Los Angeles St., Los Angeles. **Underwriter**—Mitchum, Jones & Templeton, Los Angeles (mgr.).

★ Missile-Tronics Corp. (10/2-6)

May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). **Price**—\$1.50 per share. **Business**—The manufacturers of technical equipment. **Proceeds**—For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. **Office**—245 4th St., Passaic, N. J. **Underwriter**—Hopkins, Calamari & Co., Inc., 26 Broadway, N. Y.

★ Missile Systems Corp.

Sept. 11, 1961 filed 140,000 common, of which 100,000 are to be offered by the company and 40,000 by the stockholders. **Price**—By amendment. **Business**—The manufacture of electro-mechanical assemblies and systems for weapons under government contracts; furnishing data processing and documentation services; the manufacture of multi-color harness and cable assemblies, and the manufacture of commercial lighting equipment. **Proceeds**—For working capital. **Office**—9025 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—George, O'Neill & Co., Inc., N. Y. (mgr.).

Missouri Fidelity Life Insurance Co. (10/3)

July 14, 1961 filed 200,000 common shares. Price—By amendment. Business—A life insurance company. Proceeds—To be added to capital and surplus accounts. Office—4221 Lindell Blvd., St. Louis. Underwriter—A. C. Allyn & Co., Chicago (managing).

Mobile Estates, Inc. (10/16-20)

June 27, 1961 filed 140,000 common shares. Price—\$6. Proceeds—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. Office—26 Dalbert, Carteret, N. J. Underwriter—Harry Odzer Co., New York (managing).

Molecular Dielectrics, Inc.

Sept. 1, 1961 filed 150,000 common, of which 135,000 are to be offered by the company and 15,000 by Cardia Co. Price—\$5. Business—The manufacture of high-temperature electronic and electrical insulation materials. Proceeds—For equipment, a new product and working capital. Office—101 Clifton Blvd., Clifton, N. J. Underwriters—Street & Co., Inc. and Irving Weis & Co., N. Y.

Mon-Dak Feed Lot, Inc.

July 17, 1961 filed 150,000 common shares. Price—\$3. Business—The breeding of livestock owned by others. Proceeds—For drilling of water test wells, purchase of land, construction, general administrative costs and working capital. Address—Glendive, Mont. Underwriter—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Monmouth Capital Corp.

Aug. 1, 1961 filed 200,000 shares of capital stock. Price—\$10. Business—A small business investment company. Office—First National Bank Bldg., Main St., Freehold, N. J. Underwriter—Meade & Co., New York.

Monmouth Electric Co., Inc.

Aug. 28, 1961 filed 200,000 common, of which 125,000 are to be offered by the company and 75,000 by stockholders. Price—\$6. Business—The manufacture of electronic and electro-mechanical equipment. Proceeds—For new machinery, repayment of loans and working capital. Office—1802 Corliss Ave., Neptune, N. J. Underwriters—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, N. Y. C.

Monticello Lumber & Mfg. Co., Inc.

April 11, 1961 letter of notification 75,000 of common stock (par 10c). Price—\$4 per share. Business—The sale of lumber, building supplies and hardware. Proceeds—To repay loans and for working capital. Address—Monticello, N. Y. Underwriter—J. Laurence & Co., Inc., New York, N. Y.

Mortgage Guaranty Insurance Co. (10/16-20)

Oct. 17, 1960 filed 155,000 shares of common stock (par \$1). Price—To be supplied by amendment. Business—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. Proceeds—For capital and surplus. Office—606 West Wisconsin Avenue, Milwaukee, Wis. Underwriter—Bache & Co., New York City (managing). Note—This stock is not qualified for sale in New York State.

Motor Coils Manufacturing Co. (10/23-27)

July 27, 1961 filed 100,000 common shares. Price—\$6.50. Business—The manufacture of armature, stator and field coils. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—110 Thirty-Second St., Pittsburgh. Underwriter—Golkin, Bomback & Co., New York.

Movie Star, Inc. (10/16-20)

Aug. 9, 1961 filed 200,000 class A shares. Price—By amendment. Business—The manufacture of women's clothing. Proceeds—For general corporate purposes. Office—392 Fifth Avenue, New York. Underwriter—Milton D. Blauner & Co., Inc., New York (managing).

Municipal Investment Trust Fund, First Pa. Series

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. Price—To be supplied by amendment. Business—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. Proceeds—For investment. Sponsor—Ira Haupt & Co., 111 Broadway, New York City. Offering—Expected in mid-October.

Municipal Investment Trust Fund, Series B

April 28, 1961 filed \$12,750,000 (12,500 units) of interests. Price—To be supplied by amendment. Business—The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. Proceeds—For investment. Sponsor—Ira Haupt & Co., 111 Broadway, New York City.

Murray Magnetics Corp.

Aug. 15, 1961 filed 150,000 common shares. Price—\$6. Business—The financing, exploitation and sale of a new line of electric kitchen and household appliances. Proceeds—For the purchase of inventory, sales promotion and working capital. Office—230 Fifth Ave., New York. Underwriter—Amos Treat & Co., Inc., New York.

NAC Charge Plan and Northern Acceptance Corp.

June 27, 1961 filed 33,334 class A common shares. Price—By amendment. Proceeds—For working capital. Office—16 East Pleasant St., Baltimore, Md. Underwriter—Sade & Co., Washington, D. C. (mgr.). Offering—Imminent.

Narrow Fabric Co.

Aug. 18, 1961 filed 212,000 common shares, of which 75,000 shares are to be offered by the company and 137,000 shares by stockholders. Price—By amendment. Business—The manufacture of braided, woven and knitted fabrics and production of coated and processed papers. Proceeds—For repayment of loans, expansion and working capital. Office—7th and Reading Aves., West Reading, Pa. Underwriter—Drexel & Co., Philadelphia (mgr.).

Narrows Premium Corp.

Sept. 25, 1961 filed 100,000 common. Price—\$4. Business—Financing of casualty insurance premiums in New York State. Proceeds—General corporate purposes. Office—9805 Fourth Ave., Brooklyn, N. Y. Underwriter—Pearson, Murphy & Co., Inc., N. Y.

National Bowling Lanes, Inc. (10/16-20)

July 21, 1961 filed 150,000 capital shares. Price—\$5.50. Business—The operation of bowling centers. Proceeds—For expansion, repayment of loans, and working capital. Office—220 S. 16th Street, Philadelphia. Underwriter—Edward Lewis & Co., Inc., New York.

National Cleaning Contractors, Inc. (10/9-13)

July 19, 1961 filed 200,000 outstanding common shares. Price—By amendment. Business—The maintenance of commercial buildings. Proceeds—For the selling stockholders. Office—60 Madison Avenue, New York. Underwriter—Bear, Stearns & Co., New York (managing).

National Hospital Supply Co., Inc. (10/16-20)

June 22, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The distribution of medical supplies. Proceeds—For inventory, advertising and promotion, expansion, repayment of loans and working capital. Office—38 Park Row, New York. Underwriters—Edward Lewis & Co., Inc. and Underhill Securities Corp., New York (co-managers).

National Industries, Inc.

Aug. 28, 1961 ("Reg. A") 50,000 common. Price—\$6. Proceeds—For equipment, inventory and operating expenses. Office—1622 Chestnut St., Philadelphia. Underwriter—Mayo & Co., Inc., Philadelphia.

National Instrument Laboratories, Inc.

Aug. 29, 1961 ("Reg. A") 100,000 capital shares. Price—\$3. Business—The manufacture of precision instruments. Office—828 Everts St., N. E., Washington 18, D. C. Underwriter—Troster, Singer & Co., N. Y.

National Semiconductor Corp. (10/16-20)

May 11, 1961 filed 75,000 shares of capital stock. Price—To be supplied by amendment. Business—The design, development, manufacture and sale of quality transistors for military and industrial use. Proceeds—For new equipment, plant expansion, working capital, and other corporate purposes. Office—Mallory Plaza Bldg., Danbury, Conn. Underwriters—Lee Higginson Corp., N. Y. C. and Piper, Jaffray & Hopwood, Minneapolis (mgr.).

National Tel-Tronics Corp.

Sept. 11, 1961 filed 133,000 common. Price—\$3. Business—The manufacture of electronic components. Proceeds—For repayment of a loan, expansion, new products, working capital and general corporate purposes. Office—52 St. Casimer Ave., Yonkers, N. Y. Underwriter—Frank Karasik & Co., Inc., N. Y. (mgr.).

Natpac Inc. (10/2-6)

July 28, 1961 filed 100,000 common shares. Price—\$4.75. Business—The processing of meat and frozen food products; the financing, sale and servicing of home food freezers, and the operation of a supermarket. Proceeds—For consumer time payments, expansion, and working capital. Office—93-25 Rockaway Blvd., Ozone Park, N. Y. Underwriters—William, David & Motti, Inc., and Flomenhaft, Seidler & Co., Inc., New York.

New England Power Co. (10/25)

Sept. 15, 1961 filed \$20,000,000 of first mortgage bonds, series I, due Nov. 1, 1991. Proceeds—For the repayment of short-term loans and construction. Office—441 Stuart St., Boston. Underwriter—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp.; Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. Bids—Expected Oct. 25 at 11 a.m. (EDST) at the company's office. Information Meeting—Oct. 23 at 2 p.m. (EDST) at the company's office.

New Era Mining Co. (10/2)

July 5, 1961 filed 800,000 common shares. Price—50c. Proceeds—For equipment, working capital, repayment of debt and reserves. Office—9635 W. Colfax Ave., Denver. Underwriter—Bullock Securities Co., Cheyenne, Wyo. (mgr.).

New West Land Corp.

June 30, 1961 ("Reg. A") 200,000 common shares (par \$1). Price—\$1.50. Proceeds—For repayment of notes and acquisition of real estate interests. Office—3252 Broadway, Kansas City, Mo. Underwriter—Barret, Fitch, North & Co., Kansas City, Mo.

New Zealand (Government of)

Sept. 26, 1961 filed \$15,000,000 of bonds due 1976. Price—By amendment. Proceeds—To enlarge foreign exchange reserves and for a capital works program. Address—c/o New Zealand Embassy, Washington, D. C. Underwriter—Kidder, Peabody & Co., N. Y.

Nissen Trampoline Co.

May 4, 1961 (letter of notification) 9,400 shares of common stock (par \$1). Price—At the market. Proceeds—For the selling stockholders. Office—930 27th Ave., S.W., Cedar Rapids, Iowa. Underwriter—Yates, Heitner & Woods, St. Louis, Mo. Note—This issue has been temporarily postponed.

Nitrogen Oil Well Service Co.

May 22, 1961 filed 100,000 shares of common stock. Prices—\$10 per share for 51,000 shares to be offered to Big Three Welding Company; \$10 per share for not less than 24,500 shares to be offered to holders (other than Big Three) of the outstanding common on the basis of one new share for each 1 1/2 shares held; and \$10.60 per any unsubscribed shares. Business—The company furnishes high pressure nitrogen to the oil and gas industry. Proceeds—For general corporate purposes, including \$880,000 for the purchase of 20 additional liquid nitrogen high pressure pumping units. Office—3602 W.

11th St., Houston, Texas. Underwriter—Underwood, Neuhaus & Co., Inc., Houston, Texas.

North American Acceptance Corp.

Sept. 18, 1961 filed 100,000 common. Price—\$8.50. Business—Automobile retail sales financing. Proceeds—For working capital. Office—66 East South Water St., Chicago. Underwriter—Hornblower & Weeks, N. Y.

North Atlantic Industries, Inc.

Sept. 26, 1961 filed 131,500 common, of which 120,000 will be sold by the company and 11,500 by a stockholder. Price—By amendment. Business—Manufacture of precision electronic instruments. Proceeds—Repayment of debt, new product development, inventory and working capital. Office—Terminal Dr., Plainview, N. Y. Underwriter—G. A. Saxton & Co., Inc., N. Y.

North Carolina Natural Gas Corp.

Aug. 17, 1961 filed \$2,250,000 of convertible second mortgage pipeline bonds due 1981. Price—By amendment. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—Grace Pittman Bldg., Fayetteville, N. C. Underwriters—To be named.

Northern Indiana Public Service Co. (10/3)

Aug. 28, 1961 filed \$20,253,300 of convertible debentures due Oct. 18, 1976 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 44 common held of record Sept. 29, with rights to expire Oct. 18. Price—At par. Proceeds—For working capital and construction. Office—5265 Hohman Ave., Hammond, Ind. Underwriter—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co.; Equitable Securities Corp.; Eastman Dillon, Union Securities & Co.; Lehman Brothers and Bear, Stearns & Co. (jointly); Dean Witter & Co.; Blyth & Co., Inc.; and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Kuhn, Loeb & Co. and American Securities Corp. (jointly). Bids—Expected Oct. 3 at 11 a.m. (CDST) at office of Continental Illinois National Bank & Trust Co. (Room 5A), 231 So. La Salle St., Chicago.

Northern Natural Gas Co. (10/17)

Sept. 8, 1961, filed 435,000 common to be offered for subscription by stockholders on the basis of one for each 20 held of record Oct. 17, with rights to expire Oct. 31. Price—By amendment. Proceeds—For the repayment of debt, and construction. Office—2223 Dodge St., Omaha, Neb. Underwriter—Blyth & Co., Inc., N. Y. (mgr.).

Nuclear Corp. of America (10/16-20)

Aug. 11, 1961 filed 536,280 outstanding shares of capital stock to be offered publicly and \$2,087,800 of 5 1/2% convertible subordinated debentures due 1976 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 300 shares held. Price—(Stock) By amendment. (Debentures) At par. Business—The refining of rare earths and the manufacture of radiation instruments and vacuum tubes. Proceeds—For repayment of loans and working capital. Office—3540 W. Osborn Road, Phoenix. Underwriter—Bear, Stearns & Co., New York (managing).

Nutri-Laboratories, Inc.

Sept. 14, 1961 filed 100,000 common. Price—\$5. Business—The manufacture and distribution of animal foods and dog products. Proceeds—For marketing of "Doctor's Choice" brand, working capital and operating expenses. Office—1511 K St., N. W., Washington, D. C. Underwriter—Hirschel & Co., Silver Spring, Md.

Occidental Petroleum Corp.

June 29, 1961 filed \$3,962,500 of subordinated convertible debentures due 1976 being offered for subscription by common stockholders on the basis of \$100 principal amount of debentures for each 100 shares held of record Sept. 15, with rights to expire Oct. 3. Price—At par. Business—The acquiring and developing of oil and gas properties. Proceeds—For exploration and development of oil leases and working capital. Office—8255 Beverly Blvd., Los Angeles. Underwriter—None.

Oceanic Instruments, Inc.

Aug. 24, 1961 filed 140,000 common. Price—\$1. Business—The company plans to manufacture scientific marine instruments and provide consultation services. Proceeds—For organizational expenses and purchase of equipment. Office—1515 Norton Bldg., Seattle. Underwriter—Globe, Inc., N. Y. Offering—Expected in late October.

Oklahoma Cement Co. (10/17)

Sept. 7, 1961 filed \$3,000,000 of sinking fund debentures due 1976 (with attached 10-year warrants to purchase 75,000 common). Price—By amendment. Business—The manufacture of portland cement. Proceeds—For construction and working capital. Office—First National Bank Bldg., Tulsa, Okla. Underwriter—Eastman Dillon, Union Securities & Co., N. Y. (mgr.). Offering—Expected in mid-November.

Old Empire, Inc. (10/9-13)

May 1, 1961 filed \$800,000 of convertible subordinated debentures due 1971. Price—At par. Business—The manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, chemical and industrial specialties. Proceeds—For the repayment of bank loans, property improvements and working capital. Office—865 Mt. Prospect Avenue, Newark, N. J. Underwriter—Laird, Bissell & Meeds, New York City.

Olympia Mines, Inc.

Sept. 1, 1961 filed 300,000 capital shares. Price—\$1.35. Business—The exploration and development of mines. Proceeds—For mining operations. Office—44 Court St., Brooklyn, N. Y. Underwriter—Gaumont Corp., Ltd., Toronto.

Orbit Industries, Inc.

Aug. 22, 1961 filed 125,000 common shares. Price—\$4. Business—Research, development, engineering and manufacturing in the telephone, electronics and related

Continued on page 42

Continued from page 41

fields. **Proceeds**—For repayment of loans, and equipment. **Office**—213 Mill St., N. E., Vienna, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Orbit Instrument Corp.
Aug. 29, 1961 filed 100,000 capital shares. **Price**—\$4. **Business**—The production of miniature precision electro-mechanical components. **Proceeds**—For new equipment, products, expansion and repayment of loans. **Office**—131 Elaine Way, Syosset, N. Y. **Underwriter**—Hardy & Co., N. Y. C. (mgr.).

Originala Inc.
Aug. 29, 1961 filed 150,000 common. **Price**—\$9.25. **Business**—The manufacture of women's coats. **Proceeds**—For the selling stockholders. **Office**—512 Seventh Ave., N. Y. **Underwriters**—Globus, Inc., and Divine & Fishman, Inc., N. Y. **Offering**—Expected in mid-November.

Orion Electronics Corp.
Aug. 28, 1961 filed 100,000 common. **Price**—\$3.50. **Business**—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. **Proceeds**—For expansion, equipment and working capital. **Address**—Tuckahoe, N. Y. **Underwriter**—A. D. Gilhart & Co., Inc., N. Y. C.

Orthodontists' Research & Manufacturing Corp.
Sept. 9, 1961 ("Reg. A") 200,000 common. **Price**—\$1.25. **Business**—Manufacture and distribution of devices, equipment, and supplies used by dentists. **Office**—816 Dodworth Ave., Covina, Calif. **Underwriter**—None.

Osrow Products Co., Inc. (10/9-13)
July 28, 1961 ("Reg. A") 60,000 common shares (par 10 cents). **Price**—\$5. **Business**—The manufacture of car and window washing equipment. **Proceeds**—For working capital, research and development, new products and general corporate purposes. **Office**—115 Hazel Street, Glen Cove, L. I., N. Y. **Underwriter**—General Securities Co., Inc., New York.

Oz Publishing Corp.
Sept. 15, 1961 filed 140,000 common. **Price**—By amendment. **Business**—The design, production and sale of greeting cards. **Proceeds**—For the repayment of debt, installation of additional equipment, modernization of a department and working capital. **Office**—156 Fifth Ave., N. Y. **Underwriter**—Laren Co., N. Y.

Pacific Northwest Bell Telephone Co.
Aug. 25, 1961 filed 17,459,490 outstanding common (par \$11) being offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent. Each shareholder of the latter firm was given an assignable warrant evidencing the right to purchase the stock on the basis of one right for each common held and seven rights for each preferred held. The record date is Sept. 20 and the rights expiration date Oct. 20. **Price**—Six rights plus \$16 per share. **Business**—The company furnishes telephone service in Washington, Oregon and northern Idaho. **Proceeds**—For the selling stockholder—Pacific Telephone & Telegraph Co. **Office**—1200 Third Ave., Seattle, Wash. **Underwriter**—None.

Pacific Nutrient & Chemical Co.
Sept. 15, 1961 filed 120,000 common. **Price**—\$4. **Business**—The manufacture and sale of chemical fertilizers, animal nutrients, crop seeds, insecticides, etc. **Proceeds**—For additional equipment, a new plant and working capital. **Office**—North Oak and Hazel St., Burlington, Wash. **Underwriter**—Joseph Nadler & Co., N. Y.

Pacific States Steel Corp.
June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. **Price**—\$6. **Business**—The manufacture of steel products. **Proceeds**—For the selling stockholder. **Office**—35124 Alvarado-Niles Road, Union City, Calif. **Underwriters**—First California Co., Inc., and Schwabacher & Co., San Francisco (mgr.). **Offering**—Indefinitely postponed.

Pakco Management & Development Co.
Aug. 25, 1961 filed 310,000 common. **Price**—\$11. **Business**—The large scale production of blueberries, cranberries, etc. **Proceeds**—For repayment of loans, property improvements and general corporate purposes. **Office**—104 Bellevue Ave., Hammonton, N. J. **Underwriter**—Woodcock, Moyer, Fricke & French, Philadelphia (mgr.).

Pako Corp.
Sept. 25, 1961 filed 150,000 common, of which 100,000 will be sold by the company and 50,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of equipment used to process and print photographs. **Proceeds**—Working capital. **Office**—6300 Olson Hwy., Minneapolis. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y.

Palmetto Pulp & Paper Corp.
June 28, 1961 filed 1,000,000 common shares. **Price**—\$3.45. **Business**—The growth of timber. **Proceeds**—For working capital and the possible purchase of a mill. **Address**—P. O. Box 199, Orangeburg, S. C. **Underwriter**—Stone & Co., N. Y.

Pan-Alaska Fisheries, Inc. (10/16-20)
July 26, 1961 filed 120,000 common shares. **Price**—By amendment. **Business**—The processing of Alaska king crab. **Proceeds**—For acquisition of fishing boats, equipment and working capital. **Office**—Dexter Horton Bldg., Seattle. **Underwriter**—Robert L. Ferman & Co., Inc., N. Y. (mgr.).

Panoramic Electronics, Inc. (10/2-6)
Aug. 17, 1961 filed 120,000 common shares, of which 90,000 shares are to be offered by the company and 30,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic test measurement and monitoring instruments. **Proceeds**—For acquisition of property and construction of a new plant, laboratory, equipment and working capital. **Office**—520 S.

Fulton Ave., Mount Vernon, New York. **Underwriter**—Hayden, Stone & Co., New York (managing).

Paradynamics Inc.
Sept. 5, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The company will produce micro-wave test equipment and components. **Proceeds**—For equipment, advertising, research and development and working capital. **Office**—Urban Ave., Westbury, N. Y. **Underwriter**—Karen Securities Corp., N. Y.

Paragon Pre-Cut Homes, Inc.
Aug. 25, 1961 filed \$1,000,000 of 15-year sinking fund debentures due 1976 (with warrants attached) and 100,000 common to be offered in 10,000 units each consisting of 10 common and \$100 of debentures. **Price**—By amendment. **Business**—The packaging and direct sale of pre-cut home building materials. **Proceeds**—For repayment of loans and working capital. **Office**—499 Jericho Turnpike, Mineola, N. Y. **Underwriter**—L. F. Rothschild & Co., N. Y. C. (mgr.).

Paramount Foam Industries
Sept. 25, 1961 filed 137,500 common. **Price**—By amendment. **Business**—The manufacture of polyester foams. **Proceeds**—Additional equipment, debt repayment and working capital. **Office**—Mercer and Arnot Sts., Lodi, N. J. **Underwriters**—Fialkov & Co., Inc., and Stanley Heller & Co., N. Y.

Parish (Amos) & Co., Inc.
June 23, 1961 filed 208,000 outstanding common shares. **Price**—By amendment. **Business**—Business advisors and consultants to specialty and department stores. **Proceeds**—For the selling stockholders. **Office**—500 Fifth Avenue, New York. **Underwriter**—The James Co., New York

Patent Resources, Inc.
May 24, 1961 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company was organized in November 1960 to acquire, exploit and develop patents, and to assist inventors in developing and marketing their inventions. **Proceeds**—For general corporate purposes. **Office**—608 Fifth Ave., New York City. **Underwriters**—Darius, Inc., New York (managing); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

Pavelle Corp. (10/16-20)
Aug. 22, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—Research and development in the field of color photography and the manufacture of commercial color photographic processing equipment. **Proceeds**—For expansion, research and repayment of loans. **Office**—Time & Life Bldg., Rockefeller Center, New York. **Underwriter**—Bear, Stearns & Co., New York.

Pellegrino Aggregate Technico, Inc.
Aug. 10, 1961 filed 130,000 class A common shares. **Price**—\$5. **Business**—The manufacture of building materials. **Proceeds**—For payment of income taxes and loans and for working capital. **Office**—Woodbridge-Carteret Road, Port Reading, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., New York.

Peninsular Electronics Corp.
Sept. 14, 1961 ("Reg. A") 75,772 common to be offered to residents of Florida only. **Price**—\$2. **Business**—Production of a selected product line of miniaturized electronic devices. **Office**—3510 S. Orange Ave., Orlando, Fla. **Underwriter**—None.

Penn Optical, Inc.
Sept. 18, 1961 ("Reg. A") 100,000 capital shares. **Price**—\$3. **Business**—Development and manufacture of optical equipment and precision instruments. **Office**—2930 S. Bristol St., Costa Mesa, Calif. **Underwriter**—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Perma Research & Development Co.
Sept. 1, 1961 ("Reg. A") 125,000 class B common to be offered for subscription by stockholders on the basis of 40 for each common held. **Price**—\$2.40. **Business**—The exploitation of a patent covering an automatic braking device for motor vehicles. **Office**—345 E. Washington St., North Attleboro, Mass. **Underwriter**—Richard C. Spangler, Inc., Pittsburgh.

Philippine Oil Development Co., Inc.
Sept. 25, 1961 filed 95,270,181 capital shares to be offered for subscription by common stockholders on the basis of one new share for each six held of record Sept. 9. **Price**—One cent. **Business**—Exploration for oil in the Philippines. **Proceeds**—Repayment of debt and the drilling of test wells. **Office**—Manila, Philippines. **Underwriter**—None.

Photo-Animation, Inc. (10/10)
July 26, 1961 filed 150,000 common shares. **Price**—\$1.25. **Business**—The manufacture of machines, equipment and devices used in the creation of animated motion pictures. **Proceeds**—For development of new products, repayment of loans and working capital. **Office**—34 S. West St., Mount Vernon, N. Y. **Underwriter**—First Philadelphia Corp., New York.

Pickwick International, Inc. (10/25)
July 27, 1961 filed 100,000 common shares. **Price**—\$3. **Business**—The distribution of phonograph records. **Proceeds**—For advertising and promotion, merchandising, repayment of loans, additional personnel, working capital and other corporate purposes. **Office**—8-16 43rd Ave., Long Island City, N. Y. **Underwriter**—William, David & Mott, Inc., New York.

Pickwick Recreation Center, Inc.
April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—\$3 per share. **Proceeds**—To pay for construction, working capital and, general corporate purposes. **Office**—921-1001 Riverside Drive, Burbank, Calif. **Underwriter**—Fairman & Co., Los Angeles, Calif. **Note**—Offering was indefinitely postponed.

Pictorial Production Inc.
Aug. 29, 1961 filed 149,178 common, of which 25,000 are to be offered by the company and 124,178 by stockhold-

ers. **Price**—\$10. **Business**—Research, development and production in the field of lenticular optics. **Proceeds**—For construction and equipment. **Office**—60 Kingsbridge Rd., E. Mt. Vernon, N. Y. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Piedmont Natural Gas Co., Inc. (10/27)
Sept. 14, 1961 filed 126,832 common to be offered for subscription by stockholders on the basis of one for each 10 held. **Price**—By amendment. **Proceeds**—For expansion. **Office**—523 South Tryon St., Charlotte, N. C. **Underwriter**—White, Weld & Co., N. Y. **Offering**—Expected in late October.

Pioneer Astro Industries, Inc. (10/16-20)
July 27, 1961 filed 150,000 common shares. **Price**—By amendment. **Business**—The manufacture of precision machined components and assemblies for missile guidance systems. **Proceeds**—For a new plant, additional equipment and working capital. **Office**—7401 W. Lawrence Ave., Chicago. **Underwriter**—Francis I. du Pont & Co., New York (managing).

Pittsburgh Steel Co. (11/2)
Sept. 13, 1961 filed 1,110,617 common to be offered for subscription by stockholders on the basis of 7 for each 10 held of record about Nov. 2 with rights to expire about Nov. 20. **Price**—By amendment. **Proceeds**—For expansion. **Office**—1600 Grant Bldg., Pittsburgh 30, Pa. **Underwriter**—Kuhn, Loeb & Co., Inc., N. Y.

Plasticon Corp. (10/9-13)
May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's \$1,200,000 of 5% promissory notes. **Price**—\$3 per share, in all cases. **Business**—The manufacture of large plastic containers. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office**—Minneapolis, Minn. **Underwriter**—None.

Playskool Manufacturing Co. (10/2-6)
Aug. 11, 1961 filed 135,000 common shares, of which 60,000 shares are to be offered by the company and 75,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of toys. **Proceeds**—For repayment of loans. **Office**—3720 North Kedzie Avenue, Chicago. **Underwriter**—Lehman Brothers, New York.

Plymouth Discount Corp.
Aug. 28, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Consumer sales financing. **Proceeds**—For repayment of notes and working capital. **Office**—2211 Church Ave., Brooklyn, N. Y. **Underwriter**—M. Posey Associates, Ltd., 50 Broadway, N. Y.

Polytronic Research, Inc.
June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. **Price**—By amendment. **Business**—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—7326 Westmore Rd., Rockville, Md. **Underwriters**—Jones, Kreger & Co., and Balogh & Co., Washington, D. C. (managing).

Precision Circuits, Inc.
See Printed Circuits, Inc., below.

Precision Microwave Corp. (10/16-20)
Aug. 21, 1961 filed 165,000 common shares, of which 115,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—\$10. **Business**—The manufacture of specialized microwave components for radar, missiles and communication systems. **Proceeds**—For working capital, inventories and equipment. **Office**—Main Street, Millis, Mass. **Underwriter**—Peter Morgan & Co., New York.

Preco Industries, Inc.
Aug. 25, 1961 filed 100,000 common. **Price**—\$4. **Business**—The sale of custom built swimming pools. **Proceeds**—For repayment of loans and working capital. **Office**—203 Bala Ave., Bala Cynwyd, Pa. **Underwriter**—Dean Samitas & Co., N. Y. C. (mgr.).

Premier Albums, Inc.
July 31, 1961 filed 120,000 common shares. **Price**—\$5. **Business**—The manufacture of long-playing stereophonic and monaural phonograph records. **Proceeds**—For acquisition of facilities, marketing of new stereophonic records and working capital. **Office**—356 W. 40th St., New York. **Underwriter**—Gianis & Co., N. Y. **Offering**—Expected in mid-October.

President Airlines, Inc.
June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). **Price**—\$2. **Business**—Air transportation of passengers and cargo. **Proceeds**—For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. **Office**—630 Fifth Avenue, Rockefeller Center, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J. **Offering**—Imminent.

Prevor-Mayrohn International, Inc.
July 31, 1961 ("Reg. A") 80,000 common shares (par 10 cents). **Price**—\$3.75. **Business**—Export, import, brokerage and wholesale marketing of fruits, vegetables and poultry. **Proceeds**—For expansion, sales promotion, advances to growers, working capital and general corporate purposes. **Office**—99 Hudson Street, New York. **Underwriter**—J. J. Krieger & Co., Inc., New York.

Pride Industries, Inc.
Aug. 29, 1961 filed 75,000 common. **Price**—\$5. **Business**—The sale of pet foods. **Proceeds**—For inventory, repayment of a loan, machinery, new products, advertising,

sales promotion, and working capital. Office—4408 Fairmount Ave., Philadelphia. Underwriter—Steven Investment Corp., Bala Cynwyd, Pa.

● Printed Circuits, Inc.

July 20, 1961 ("Reg. A") 260,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For a new building, equipment and working capital. Office—2532-25th Ave., S., Minneapolis. Underwriter—Naftalin & Co., Inc., Minneapolis. Offering—Expected early October. Note—This company formerly was named Precision Circuits, Inc.

● Product Research of Rhode Island, Inc. (10/2-6)

July 28, 1961 filed 330,000 common shares. Price—\$2.05. Business—The manufacture of vinyl plastic products used in the automotive, marine and household fields. Proceeds—For repayment of debt, new equipment and working capital. Office—184 Woonasquatucket Avenue, North Providence, R. I. Underwriter—Continental Bond & Share Corp., Maplewood, N. J. Offering—Expected in late October.

● Progressitron Corp.

June 9, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—Manufacturers of electronic, electro mechanical and mechanical devices. Proceeds—For general corporate purposes. Office—14-25 128th St., College Point, N. Y. Underwriter—Netherlands Securities Co., New York.

★ Prufcoat Laboratories, Inc.

Sept. 25, 1961 filed 60,000 common, of which 13,000 shares are to be offered by the company and 47,000 by a stockholder. Price—By amendment. Business—Development and production of plastic-base protective coatings, paints and primers. Proceeds—Purchase of equipment and other corporate purposes. Office—63 Main St., Cambridge, Mass. Underwriter—Chace, Whiteside & Winslow, Inc., Boston.

● Public Service Co. of Colorado (10/2)

Aug. 25, 1961 filed \$30,000,000 of first mortgage bonds due 1991. Office—900 15th St., Denver, Colo. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Harriman Ripley & Co., Inc.; Eastman Dillon, Union Securities & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; and Dean Witter & Co. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly); Blyth & Co., Inc., and Smith, Barney & Co. (jointly); Lehman Brothers and First Boston Corp. (jointly). Bids—Oct. 2, 1961, 11:30 a.m. (EDST) at the office of Morgan Guaranty Trust Co., 54 Liberty St. (6th fl.), N. Y. Information Meeting—Sept. 28, 10 a.m. (EDST) at above office of Morgan Guaranty Trust Co. (Mezzanine B).

★ Public Service Electric & Gas Co. (10/17)

Sept. 21, 1961 filed \$50,000,000 of debenture bonds due Oct. 1, 1981. Proceeds—Repayment of bank loans, and construction. Office—80 Park Place, Newark, N. J. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co., Inc.; Goldman, Sachs & Co. Harriman, Ripley & Co. (jointly). Bids—Oct. 17 at 11 a.m. (EDST) at the company's office. Information Meeting—Oct. 11 at 11 a.m. (EDST) at Chase Manhattan Bank (34th floor) One Chase Manhattan Plaza, N. Y.

● Publishers Co., Inc.

Aug. 29, 1961 filed \$1,200,000 of 6% subordinated convertible debentures due 1967. Price—At par. Business—The publishing of books. Proceeds—For redemption of outstanding 12% debentures due 1965 and for expansion. Office—1106 Connecticut Ave., N.W., Washington, D.C. Underwriter—Roth & Co., Inc., Philadelphia.

● Publishers Vending Services, Inc.

July 3, 1961 filed \$600,000 of 5½% convertible subordinated debentures due 1971; 120,000 common shares which underlie 2-year first warrants exercisable at \$7.50 per share, and 120,000 common shares which underlie 5-year second warrants, exercisable at \$10 per share. The securities are to be offered for public sale in units of one \$100 debenture, 20 first warrants and 20 second warrants. Price—\$100 per unit. Business—The design, manufacture, sale and leasing of coin-operated vending machines for magazines, newspapers and paperback books. Proceeds—For the repayment of debt, advertising, sales promotion, and the manufacture of new machines. Office—1201 South Clover Drive, Minneapolis. Underwriter—D. H. Blair & Co., New York.

● Puerto Rico Capital Corp.

Sept. 13, 1961 filed 750,000 common. Price—\$10. Business—A small business investment company. Proceeds—For general corporate purposes. Address—San Juan, Puerto Rico. Underwriter—Hill, Darlington & Grimm, N. Y.

★ Pulp Processes Corp.

Sept. 20, 1961 filed 200,000 common. Price—By amendment—Development of pulping and bleaching devices. Proceeds—General corporate purposes. Office—Hoge Bldg., Seattle, Wash. Underwriter—Wilson, Johnson & Higgins, San Francisco.

★ Pyrometer Co. of America, Inc.

Sept. 26, 1961 filed 300,000 common. Price—By amendment. Business—Design and manufacture of thermocouples, temperature transducers and electronic indicating and controlling instruments. Proceeds—To finance the purchase of Hamilton Manufacturing Co., Inc. Office—600 E. Lincoln Highway, Pennell, Pa. Underwriter—Arnold Matlan & Co., Inc., N. Y.

● Rabin-Winters Corp.

June 19, 1961 filed 180,000 common shares of which 80,000 shares are to be offered by the company and 100,000 shares by stockholders. Price—By amendment. Business—The manufacture of pharmaceuticals, cosmetics, lighter fluid and related items. Proceeds—To repay loans and for working capital. Office—700 N. Sepulveda Blvd., El Segundo, Calif. Underwriter—To be named.

● Ragen Precision Industries, Inc.

Aug. 31, 1961 filed 100,000 common. Price—By amendment. Business—The manufacture of precision parts, components, assemblies and subassemblies for the business machine, electronic and aircraft industries. Proceeds—For equipment, repayment of loans and general corporate purposes. Office—9 Porette Ave., North Arlington, N.J. Underwriter—Marron, Sloss & Co., Inc., N.Y. (mgr.).

● Raymond Engineering Laboratory, Inc. (10/9-13)

Aug. 15, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. Business—The manufacture of timing devices, accelerometers and related equipment for missiles, satellites and space vehicles. Proceeds—For repayment of loans, equipment, and working capital. Office—Smith Street, Middletown, Conn. Underwriter—Lee Higginson Corp., New York (mgr.).

● Real Properties Corp. of America (10/2-6)

July 25, 1961 filed 365,000 class A shares. Price—\$10. Business—A real estate investment company. Office—1451 Broadway, New York. Underwriter—Stanley Heller & Co., N. Y. C. (mgr.).

● Realtone Electronics Corp. (10/23-27)

Aug. 16, 1961 filed 100,000 common shares. Price—\$4. Business—The marketing of transistorized radios and related equipment. Proceeds—Repayment of loans and general corporate purposes. Office—71 Fifth Ave., New York. Underwriter—Lieberbaum & Co., N. Y.

● Recreation Associates, Inc.

Aug. 14, 1961 filed 100,000 class A common. Price—\$3. Business—The operation of a bowling center. Proceeds—For working capital. Office—8905 Columbia Pike, Falls Church, Va. Underwriter—None.

● Red Rope Stationery Industries, Inc.

Aug. 23, 1961 filed 160,000 common. Price—\$3.50. Business—The manufacture of stationery supplies. Proceeds—For working capital, equipment, expansion and repayment of debt. Office—70 Washington St., Brooklyn, N. Y. Underwriter—George, O'Neill & Co., Inc., N. Y. (mgr.).

● Red Wing Fiberglass Products, Inc.

July 28, 1961 ("Reg. A") 260,000 common shares (par 25 cents). Price—\$1.15. Proceeds—For repayment of debt, building improvements, equipment, research and development, and working capital. Office—Industrial Park, Red Wing, Minn. Underwriter—York & Mavroulis, Minn.

● Redman Manufacturing & Engineering Co.

Aug. 9, 1961 filed 70,000 common shares, of which 35,000 shares are to be offered by the company and 35,000 shares by stockholders. Price—By amendment. Business—The manufacture of moulds used by the plastic and container and packaging industry. Proceeds—For repayment of loans, equipment, working capital and a new plant. Office—1630 Oakland, Kansas City, Mo. Underwriter—Stern Brothers & Co., Kansas City, Mo. (mgr.).

● Reeves Broadcasting & Development Corp.

June 16, 1961 filed \$2,500,000 of convertible debentures. Price—At par. Business—The operation of TV stations and recording studios and the development of real estate properties in North Carolina. Proceeds—For expansion, the repayment of loans, for working capital and other corporate purposes. Office—304 E. 44th St., New York. Underwriter—Laird & Co., Corp., Wilmington, Del. (mgr.).

● Regal Homes, Inc.

Aug. 15, 1961 filed 51,000 capital shares. Price—\$12. Business—For construction and sale of "shell" homes and mortgage financing. Proceeds—For working capital. Address—Hopkinsville, Ky. Underwriter—J. J. B. Hilliard & Sons, Louisville.

● Reher Simmons Research Inc.

May 8, 1961 filed 150,000 shares of capital stock. Price—\$6 per share. Business—The research and development of processes in the field of surface and biochemistry. Proceeds—For plant construction, equipment, research and development, sales promotion and working capital. Office—545 Broad St., Bridgeport, Conn. Underwriter—McLaughlin, Kaufmann & Co. (mgr.). Offering—Expected in November.

● Rexach Construction Co., Inc.

July 28, 1961 filed \$1,500,000 of 6½% sinking fund debentures (with warrants) due 1976 and 105,000 outstanding common shares. Price—By amendment. Business—The construction of highways, buildings and homes. Proceeds—For repayment of a loan, purchase of stock in Puerto Rico Aggregates Co., and working capital. Address—San Juan, Puerto Rico. Underwriters—P. W. Brooks & Co., Inc., New York and CIA Financiera de Inversiones, Inc., San Juan (mgr.). Offering—Expected mid-October.

● Riverview ASC, Inc. (10/16-20)

May 18, 1961 ("Reg. A") 100,000 common shares. Price—\$3. Business—Real estate and utility development in Florida. Proceeds—For expansion. Office—2823 So. Washington Ave., Titusville, Fla. Underwriter—Albion Securities Co., Inc., New York.

● Ro Ko, Inc. (10/16)

Aug. 7, 1961 filed 120,000 class A common shares. Price—\$5. Business—The manufacture of stuffed toys. Proceeds—For down payments on the purchase of buildings, equipment and expansion. Office—3115 E. 12th St., Kansas City, Mo. Underwriters—Midland Securities Co., Inc., and George K. Baum & Co., Kansas City, Mo. (mgr.).

● Robins Industries Corp. (10/10-13)

July 27, 1961 filed 100,000 common shares. Price—\$2.50. Business—The manufacture of products in the electronic sound and recording field. Proceeds—For repayment of a loan, moving expenses, research and development, tooling, advertising and working capital. Office—36-27 Prince St., Flushing, N.Y. Underwriter—Carroll Co., N.Y. Offering—Expected early October.

★ Rocket Power, Inc.

Sept. 20, 1961 filed 200,000 common. Price—By amendment. Business—Development and manufacture of solid propellants, rocket motors, rocket catapults and related products. Proceeds—To repay debt. Office—Falcon Field, Mesa, Ariz. Underwriters—Paine, Webber, Jackson & Curtis and Prescott & Co., N. Y.

● Rodney Metals, Inc. (10/16-20)

June 30, 1961 filed 140,000 common shares. Price—\$10. Proceeds—For the repayment of debt and other corporate purposes. Office—261 Fifth Ave., New York. Underwriter—Amos Treat & Co., Inc., N. Y. (mgr.).

● Roph Associates, Inc.

Aug. 10, 1961 ("Reg. A") 75,000 common shares (par five cents). Price—\$4. Business—The sale of freezers and food plans. Proceeds—For inventory, a food dept, advertising and promotion and general corporate purposes. Office—300 Northern Boulevard, Great Neck, N. Y. Underwriter—David Barnes & Co., Inc., New York.

● Royal Land & Development Corp. (11/13-17)

Aug. 2, 1961 filed 2,000,000 class A common shares. Price—\$1. Business—General real estate and construction. Proceeds—For construction and general corporate purposes. Office—400 Stanley Ave., Brooklyn, N. Y. Underwriter—Lieberbaum & Co., New York (managing).

● Rozilda Laboratories, Inc.

Sept. 18, 1961 filed 90,000 class A capital shares. Price—\$3. Business—The manufacture and sale of organic chemicals to industrial and commercial users. Proceeds—For expansion and working capital. Office—814 Madison St., Hoboken, N. J. Underwriters—State Securities Corp., Washington, D. C. and Bayes, Rose & Co., N. Y.

★ Rubber & Fibre Chemical Corp.

Sept. 25, 1961 filed 120,000 common. Price—\$5. Business—Exploitation of a new process for reclaiming unvulcanized rubber. Proceeds—Purchase of equipment and existing plant building, repayment of debt, and working capital. Office—300 Butler St., Brooklyn, N. Y. Underwriter—Armstrong & Co., Inc., N. Y.

● S. O. S. Photo-Cine-Optics, Inc.

June 29, 1961 filed \$50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of \$10 of debentures and 10 common shares. Price—\$40 per unit. Business—The manufacturing, renting and distributing of motion picture and television production equipment. Proceeds—For new equipment, advertising, research and development, working capital and other corporate purposes. Office—602 W. 52nd St., New York. Underwriter—William, David & Motti, Inc., New York. Offering—Sometime in October.

● Sav-Mor Oil Corp. (10/16)

July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). Price—\$2.50. Business—Wholesale distribution of gasoline and oil to service stations. Proceeds—For expansion. Office—151 Birchwood Park Dr., Jericho, L. I., N. Y. Underwriter—Armstrong & Co., Inc., New York.

● Save-Tax Club, Inc.

July 6, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$2. Business—A plan to stimulate retail merchandising in New York City. Retail establishments who join the plan will give 3% discounts to members of the Save-Tax Club. Proceeds—For salaries to salesmen, advertising, public relations, additional employees, and working capital. Office—135 W. 52nd St., New York. Underwriter—B. G. Harris & Co., Inc., N. Y. Offering—Expected early October.

● Saxton Products, Inc.

Aug. 28, 1961 ("Reg. A") 80,000 common. Price—\$3.75. Business—The manufacture of wires and cables. Proceeds—For repayment of indebtedness, equipment, advertising, inventory and general corporate purposes. Office—4320-26 Park Ave., Bronx 57, N. Y. Underwriter—Stern, Zeiff & Co., Inc., N. Y.

★ Science Research Associates, Inc.

Sept. 22, 1961 filed 150,040 common, of which 100,000 shares are to be offered by the company and 50,040 shares by stockholders. Price—By amendment. Business—Publication of standardized intelligence, aptitude, and achievement tests, and instructional materials for schools. Proceeds—For repayment of debt, redemption of 6% preferred stock and working capital. Office—259 E. Erie St., Chicago. Underwriters—White, Weld & Co., N. Y. and William Blair & Co., Chicago.

● Seashore Food Products, Inc.

Aug. 29, 1961 ("Reg. A") 75,000 common. Price—\$4. Business—The manufacturing and processing of assorted food products. Office—13480 Cairo Lane, Opa Locka, Fla. Underwriter—Ehrlich, Irwin & Co., Inc., N. Y.

★ Sea Wide Electronics Inc.

Sept. 26, 1961 filed 200,000 common. Price—\$4. Business—Importing of goods from Japan. Proceeds—For debt repayment. Office—Stokely St., and Roberts Ave., Philadelphia, Pa. Underwriter—Amos Treat & Co., N. Y.

● Securities Acceptance Corp.

Aug. 29, 1961 ("Reg. A") 10,000 shares of 5% cumulative. Price—At par (\$25). Business—A consumer finance company. Office—304 S. 18th St., Omaha. Underwriters—First Trust Co. of Lincoln, Neb., Storz-Wachob-Bender Co., Omaha and Cruttenden, Podesta & Co., Chicago.

● Seeburg Corp.

Aug. 18, 1961 filed 303,812 common shares to be offered for subscription by stockholders on the basis of one new share for each five shares held. Price—By amendment. Business—The manufacture of coin-operated phonographs and other vending equipment. Proceeds—For repayment of loans and the financing of receivables and inventories. Office—1500 N. Dayton St., Chicago. Underwriter—White, Weld & Co., New York (mgr.). Offering—Imminent.

Continued on page 44

Continued from page 43

★ **Self-Service, Inc.**

Sept. 19, 1961 ("Reg. A") 300,000 common. Price—\$1. Business—Retailing of shoes on a self-service basis. Office—504 N. Grand, Pueblo, Colo. Underwriter—Amos C. Sudler & Co., Denver, Colo.

★ **Sel-Rex Corp.**

Sept. 27, 1961 filed 200,000 common, of which 33,000 will be sold by the company and 167,000 by a stockholder. Price—By amendment. Business—Production of gold compounds and chemicals for electroplating. Office—Nuttley, N. J. Underwriter—Eastman Dillon, Union Securities & Co., N. Y.

★ **Semicon, Inc. (10/16-20)**

June 30, 1961 filed 125,000 class A common shares. Price—By amendment. Business—The manufacture of semiconductor devices for military, industrial and commercial use. Proceeds—For equipment, plant expansion and new products. Address—Sweetwater Avenue, Bedford, Mass. Underwriter—S. D. Fuller & Co., New York (managing).

★ **Servotron Corp.**

Sept. 25, 1961 filed 100,000 common. Price—\$5. Business—Sale of automatic film processing machines and other electronic products. Proceeds—Purchase of equipment and inventory, sales promotion, research and development, and working capital. Office—29503 West Nine Mile Rd., Farmington, Mich. Underwriter—None.

★ **Sessions Co.**

Sept. 8, 1961 ("Reg. A") 245,000 common. Price—\$1.15. Business—Operation of a management consulting and engineering services firm. Office—2012 First National Bldg., Minneapolis. Underwriter—Midwest Planned Investments, Inc., Minneapolis.

★ **Skaer Shoe Corp.**

Sept. 18, 1961 filed 225,000 common. Price—By amendment. Business—The manufacture and sale of women's shoes. Proceeds—For the selling stockholders. Office—Canal and Dow St., Manchester, N. H. Underwriter—Dean Witter & Co., San Francisco.

★ **Shasta Minerals & Chemical Co. (10/2)**

April 24, 1961 filed 500,000 shares of common stock. Price—\$2.50 per share. Business—Acquisition, development, and exploration of mining properties. Proceeds—For general corporate purposes. Office—1406 Walker Bank Bldg., Salt Lake City, Utah. Underwriter—None.

★ **Shaw-Barton, Inc.**

Aug. 15, 1961 filed 100,000 outstanding common shares. Price—By amendment. Business—The manufacture of calendars and specialty advertising. Proceeds—For the selling stockholders. Address—Coshocton, Ohio. Underwriter—Crutenden, Podesta & Co., Chicago (mgr.).

★ **Shelley Urethane Industries, Inc. (10/10)**

May 24, 1961 filed 200,000 shares of common stock. Price—To be supplied by amendment. Business—The manufacture, converting and distribution of urethane foam products to industry. Proceeds—For expansion, new equipment, repayment of debt, and working capital. Office—4542 East Dunham St., City of Commerce, Calif. Underwriter—Garat & Polonitz, Inc., Los Angeles (managing). Note—This company plans to change its name to Urethane Industries International Inc.

★ **Siconor Mines Ltd.**

Sept. 18, 1961 filed 250,000 common. Price—By amendment. Business—The exploratory search for silver in northern Ontario. Proceeds—For general corporate purposes. Office—82 Richmond St., West, Toronto, Canada. Underwriter—None.

★ **Sierra Capital Co.**

Sept. 5, 1961 filed 1,000,000 capital shares. Price—By amendment. Business—A small business investment company. Proceeds—For general corporate purposes. Office—105 Montgomery St., San Francisco. Underwriter—C. E. Unterberg, Towbin Co., N. Y.

★ **Silver Hat Mining, Inc.**

Sept. 13, 1961 ("Reg. A") 160,000 common. Price—\$1. Business—Mining of silver, gold, lead and other minerals. Office—1804 Madison Rd., Cincinnati. Underwriter—None.

★ **Site-Fab, Inc.**

Aug. 21, 1961 ("Reg. A") 100,000 common (par 10c). Price—\$3. Proceeds—For purchase and improvement of land, promotion and development and working capital. Office—901 Market St., Wilmington, Del. Underwriter—H. P. Black & Co., Inc., Washington, D. C.

★ **Small Business Investment Co. of New York, Inc.**

Aug. 22, 1961 filed 875,000 common shares. Price—By amendment. Business—A small business investment company. Proceeds—For investment in and loans to small business. Office—40 Beaver St., Albany, N. Y. Underwriter—Dillon, Read & Co., Inc., New York.

★ **Southern Diversified Industries, Inc.**

Aug. 8, 1961 filed 250,000 common shares. Price—\$5.50. Business—The purchase, inventorying and wholesale distribution of roofing materials, sheet metal products and heating and air conditioning accessories. Proceeds—For repayment of debt, purchase of merchandise and operating expenses. Office—3690 Northwest 62nd St., Miami, Fla. Underwriter—Netherlands Securities Co., Inc., New York.

★ **Southern Frontier Finance Co.**

Sept. 22, 1961 filed \$1,000,000 of sinking fund subordinated debentures due 1976 with warrants to purchase 200,000 shares of common stock, to be offered in units consisting of \$100 of debentures with a warrant to purchase 20 common shares. Price—By amendment. Business—Repurchase of mortgage notes, contracts, leases, etc. Proceeds—Repayment of debt, investments and other corporate purposes. Office—615 Hillsboro St., Raleigh, N. C. Underwriter—J. C. Wheat & Co., Richmond, Va.

★ **Southern Growth Industries, Inc.**

June 28, 1961 filed 100,000 common shares. Price—\$6. Business—A small business investment company. Proceeds—For investment. Office—Poinsett Hotel Building, Greenville, S. C. Underwriter—Capital Securities Corp., Greenville, S. C.

★ **Southern Realty & Utilities Corp. (10/9-13)**

May 26, 1961 filed \$3,140,000 of 6% convertible debentures due 1976, with warrants to purchase 31,400 common shares, to be offered for public sale in units of \$500 of debentures and warrants for five common shares. Price—At 100% of principal amount. Business—The development of unimproved land in Florida. Proceeds—For the repayment of debt, the development of property, working capital and other corporate purposes. Office—1674 Meridian Avenue, Miami Beach, Fla. Underwriters—Hirsch & Co., and Lee Higginson Corp., both of New York City (managing).

★ **Southern Syndicate, Inc.**

Sept. 13, 1961 filed 300,000 common. Price—By amendment. Business—Real estate investment. Proceeds—For repayment of loans and working capital. Office—2501 Bank of Georgia Bldg., Atlanta. Underwriter—Johnson, Lane, Space Corp., Savannah.

★ **Southwestern Research & Development Co. (10/10)**

Aug. 28, 1961 filed 600,000 common. Price—\$10. Business—A business investment company. Proceeds—For investments. Office—1101 N. First St., Phoenix. Underwriter—Wilson, Johnson & Higgins, San Francisco (mgr.).

★ **Space Age Materials Corp. (SAMCO)**

Sept. 19, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—The manufacture of high temperature materials for the space, nuclear and missile fields, and components used in the communications field. Proceeds—For equipment, research and development, and working capital. Office—31-26 Greenpoint Avenue, Long Island City, N. Y. Underwriter—Manufacturers Securities Corp., 511 5th Ave., N. Y. Offering—Expected late Nov.

★ **Spectron, Inc. (10/2-6)**

June 9, 1961 filed 83,750 class A common shares (par 10 cents). Price—\$4.50. Business—The design, development and manufacture of electronic systems, instruments and equipment, including microwave, radar and underwater communication devices. Proceeds—For purchase of equipment, plant expansion, patent development and general corporate purposes. Office—812 Ainsley Bldg., Miami, Fla. Underwriter—Hampstead Investing Corp., New York (managing).

★ **Star Homes, Inc.**

June 28, 1961 filed \$500,000 7% subordinated debentures due 1971 and 200,000 common shares to be offered in units, each unit consisting of \$50 of debentures and 20 common shares. Price—\$100 per unit. Business—The construction and sale of shell homes. Proceeds—For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. Office—336 S. Salisbury Street, Raleigh, N. C. Underwriter—D. E. Liederman & Co., Inc., New York (managing).

★ **Star Industries, Inc. (10/16-20)**

Aug. 23, 1961 filed 415,576 class A, of which 103,894 are to be offered by the company and 311,682 by stockholders. Price—By amendment. Business—A wholesale liquor distributor. Proceeds—For repayment of loans and working capital. Office—31-10 48th Ave., Long Island City, N. Y. Underwriters—Lee Higginson Corp. and H. Hentz & Co. (co-mgrs.).

★ **Sterile Medical Products, Inc.**

Aug. 29, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—The manufacture and sharpening of scalpels. Proceeds—For expansion and the manufacture of scalpels. Office—434 Bucklew Ave., Jamesburg, N. J. Underwriter—Louis R. Dreyling & Co., Inc., New Brunswick, N. J.

★ **Sterling Electronics, Inc. (10/9-13)**

July 24, 1961 filed 125,200 common shares, of which 82,000 shares are to be offered by the company and 43,200 shares by stockholders. Business—The distribution of electronic parts and equipment. Proceeds—For repayment of loans and working capital. Office—1616 McKinley, Houston, Texas. Underwriter—S. D. Fuller & Co., New York (managing).

★ **Sterling Extruder Corp.**

Sept. 12, 1961 filed 90,000 common, of which 20,000 are to be offered by the company and 70,000 by the stockholders. Price—By amendment. Business—The manufacture of plastic extrusion machinery and auxiliary equipment. Proceeds—For working capital. Office—1537 W. Elizabeth Ave., Linden, N. J. Underwriter—Marron, Sloss & Co., N. Y.

★ **Sterling Seal Co.**

Aug. 2, 1961 filed 112,300 common shares of which 20,000 shares are to be offered by the company and 92,300 shares by the stockholders. Price—By amendment. Business—The design, lithographing and stamping of metal caps or closures for containers. Proceeds—For working capital. Office—316 W. 18th St., Erie, Pa. Underwriters—Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., New York (managing).

★ **Stouffer Corp. (10/23-27)**

Sept. 8, 1961 filed \$7,500,000 of convertible subordinated debentures due Oct. 1, 1981. Price—By amendment. Business—The operation of a restaurant chain, the sale of frozen prepared foods and the furnishing of management food service to large organizations. Proceeds—For the prepayment of debt, expansion, and working capital. Office—1375 Euclid Ave., Cleveland. Underwriters—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y., and Fulton, Reid & Co., Inc., Cleveland. Note—The company plans to change its name to Stouffer Foods Corp., in early October.

★ **Sule Inc.**

Sept. 15, 1961 ("Reg. A") 85,500 common. Price—\$3.50. Business—Marketing of "Belle Teinte," a product containing Vitamin A and B and a protein element. Office—512 Logan Bldg., Seattle, Wash. Underwriter—None.

★ **Superior Industries Corp.**

Aug. 29, 1961 filed 125,000 common. Price—\$4. Business—The manufacture of folding pool tables, table tennis tables and related accessories. Proceeds—For general corporate purposes. Office—520 Coster St., Bronx, N. Y. Underwriter—Brand, Grumet & Seigel, Inc., N. Y. (mgr.).

★ **Supronics Corp. (10/16-20)**

May 29, 1961 filed 90,000 shares of common stock. Price—To be supplied by amendment. Business—The company is engaged in the distribution of wholesale electrical equipment and supplies. Proceeds—For the repayment of bank loans and other corporate purposes. Office—224 Washington St., Perth Amboy, N. J. Underwriters—Amos Treat & Co., Inc., and Standard Securities Corp., both of New York City and Bruno-Lenchner, Inc., Pittsburgh, Pa.

★ **Susan Crane Packaging, Inc.**

Aug. 28, 1961 filed 150,000 common. Price—By amendment. Business—The manufacture of gift wrap, packaging materials and greeting cards. Proceeds—For repayment of loans, expansion, working capital and general corporate purposes. Office—8107 Chancellor Row, Dallas. Underwriter—C. E. Unterberg, Towbin Co., N. Y. C.

★ **Swift Homes, Inc.**

Sept. 15, 1961 filed 240,000 common, of which 80,000 will be sold by the company and 160,000 by stockholders. Price—By amendment. Business—The manufacture, sale and financing of factory-built homes. Proceeds—To expand credit sales and open new sales offices. Address—1 Chicago Ave., Elizabeth, Pa. Underwriter—Eastman Dillon, Union Securities & Co., N. Y. Offering—Expected in mid-November.

★ **Taddeo Construction & Leasing Corp.**

March 31, 1961 filed 320,000 common. Price—\$5. Business—The construction of bowling centers. Proceeds—For construction and working capital. Office—873 Merchants Rd., Rochester, N. Y. Underwriters—N. A. Hart & Co., and Darius, Inc. (co-mgrs.). Note—This company was formerly named Taddeo Bowling & Leasing Corp.

★ **Tasty Baking Co.**

Aug. 31, 1961 filed 100,000 class A common (non-voting). Price—By amendment. Business—The manufacture of packaged bakery products. Proceeds—For the selling stockholders. Office—2801 Hunting Park Ave., Philadelphia. Underwriter—Drexel & Co., Philadelphia.

★ **Tax-Exempt Public Bond Trust Fund, Series 2**

Feb. 23, 1961 filed \$10,000,000 (100,000 units) ownership certificates. Price—To be filed by amendment. Business—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. Proceeds—For investment. Office—135 South La Salle Street, Chicago. Sponsor—John Nuveen & Co., Chicago.

★ **Technifoam Corp.**

Aug. 14, 1961 filed 110,000 common shares. Price—\$8. Business—The manufacture of machinery for producing polyurethane foam. Proceeds—For repayment of loans, equipment, foreign investments and working capital. Office—717 Fifth Avenue, New York. Underwriter—Stearns & Co., N. Y. (mgr.).

★ **Techno-Vending Corp. (10/9-13)**

June 9, 1961 ("Reg. A") 100,000 class A common shares (par one cent). Price—\$3. Business—The manufacture of coin-operated vending machines. Proceeds—For repayment of loans; sales promotion and advertising; expansion; purchase of raw materials; research and development, and working capital. Office—599 Tenth Avenue, New York. Underwriter—International Services Corp., Paterson, N. J.

★ **Telecredit, Inc. (10/23-27)**

July 24, 1961 filed 155,000 common shares. Price—\$1. Business—The development of high-speed electronic data processing systems. Proceeds—For organizational expenses, establishment of service centers and reserves. Office—100 W. 10th Street, Wilmington, Del. Underwriter—Globus, Inc., N. Y. (mgr.).

★ **Telegister Corp.**

Sept. 1, 1961 filed 280,000 common. Price—By amendment. Business—The furnishing of data processing, dissemination and display services. Proceeds—For the selling stockholders. Office—445 Fairfield Ave., Stamford. Underwriter—Ladenburg, Thalmann & Co., N. Y. (mgr.).

★ **Texas Gas Producing Co.**

Sept. 5, 1961 filed \$315,000 of 5½% subordinated convertible debentures due 1973 and 10,500 common to be offered in units of \$90 of debentures and three common shares. Price—By amendment. Business—The production of crude oil and natural gas. Proceeds—For repayment of notes, working capital and general corporate purposes. Office—731 Meadows Bldg., Dallas. Underwriter—Equitable Securities Corp., Nashville.

★ **Theil Publication, Inc. (10/2-6)**

July 25, 1961 filed 110,000 common shares. Price—\$3. Business—The writing and producing of technical material for industry and Department of Defense. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—1200 Hempstead Turnpike, Franklin Sq., L. I., N. Y. Underwriter—None.

★ **Thermionix Industries Corp.**

July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$2. Business—The manufacture of a flexible heating tape. Proceeds—For construction of a machine, research and development, sales engineering

and working capital. **Office**—500 Edgewood Avenue, Trenton, N. J. **Underwriter**—D. L. Capas Co., New York. **Offering**—Imminent.

Thermo-Chem Corp. (10/23-27)

June 14, 1961 filed 130,000 common shares. **Price**—\$4.50. **Business**—The manufacture of coatings for fabrics. **Proceeds**—To repay a loan, and purchase equipment, for research and development, administrative expenses and working capital. **Office**—Noeland Ave., Pennndel, Pa. **Underwriter**—Best & Garey Co., Inc., Washington, D. C.

Thermotronics Corp., Inc.

July 10, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—Research and development of electronic and electrical devices, principally an electronic water heater. **Proceeds**—For raw materials, plant and equipment, advertising research and development and working capital. **Office**—27 Jericho Turnpike, Mineola, L. I., N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y. **Offering**—Expected early October.

Thoroughbred Enterprises, Inc. (10/2-6)

June 2, 1961 filed 85,000 common shares. **Price**—\$4. **Business**—The breeding of thoroughbred race horses. **Proceeds**—To purchase land, build a stable, and buy additional horses. **Office**—8000 Biscayne Blvd., Miami, Fla. **Underwriter**—Sandkuhl & Co., Inc., Newark, N. J., and New York City.

Thurrow Electronics, Inc.

July 20, 1961 ("Reg. A") 41,500 class A common shares (par \$2.50) and 83,000 class B common shares (par \$1) to be offered in units consisting of one class A and two class B common shares. **Price**—By amendment. **Proceeds**—For repayment of loans and inventory. **Office**—121 S. Water St., Tampa. **Underwriter**—Miller Securities Corp., Atlanta, Ga.

Tor Education, Inc. (10/9-13)

July 28, 1961 filed 100,000 capital shares. **Price**—By amendment. **Business**—The production of self instructional courses and devices. **Proceeds**—For purchase of equipment, new products and other corporate purposes. **Office**—65 Prospect St., Stamford, Conn. **Underwriter**—F. L. Rossman & Co., New York (managing).

Tower Communications Co.

Aug. 24, 1961 filed 125,000 common. **Price**—By amendment. **Business**—The design, manufacture and erection of communications towers. **Proceeds**—For repayment of debt and working capital. **Office**—2700 Hawkeye Dr., Sioux City, Iowa. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Transcontinental Investing Corp. (10/23-27)

Aug. 25, 1961 filed \$10,000,000 of 6½% convertible subordinated debentures due 1981. **Price**—By amendment. **Business**—The operation of hotels, motels, apartment buildings and a small business investment company. **Office**—375 Park Ave., N. Y. C. **Underwriter**—Lee Higginson Corp., N. Y. C. (mgr.).

Trans-Lux Corp. (10/23-27)

Aug. 31, 1961 filed 250,000 common, of which 150,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of news ticker projection equipment. **Proceeds**—For expansion, repayment of loans, new equipment and general corporate purposes. **Office**—625 Madison Ave., N. Y. **Underwriter**—Bear, Stearns & Co., N. Y. (mgr.).

Tri-Chem, Inc.

Aug. 16, 1961 filed \$350,000 of sinking fund debentures, 6½% series due 1976 and 140,000 common shares to be offered in units consisting of \$100 of debentures and 40 common shares. **Price**—By amendment. **Business**—The manufacture of paints for hobbyists. **Proceeds**—For repayment of bank loans and working capital. **Office**—82 Main St., West Orange, N. J. **Underwriter**—P. W. Brooks & Co., Inc., N. Y. (mgr.). **Offering**—Expected late Oct.

Tri Metal Works, Inc. (10/4)

June 29, 1961 filed 68,000 outstanding common shares to be offered by the stockholders. **Price**—At the market. **Business**—The designing, converting and equipping trucks used in sale of ice cream, etc. It also engages in the research, design and manufacture of vacuum furnaces, ovens and components in the fabrication of metal equipment for the food, pharmaceutical and chemical industries. **Proceeds**—For the selling stockholders. **Office**—Bennard & Warrington Sts., East Riverton, N. J. **Underwriter**—R. L. Scheinman & Co., N. Y. C.

Tri-State Displays, Inc. (10/23-27)

July 24, 1961 ("Reg. A") 260,000 common shares (par five cents). **Price**—\$1.15. **Proceeds**—For working capital. **Office**—1221 Glenwood Ave., Minneapolis. **Underwriter**—Naftalin & Co., Minneapolis.

Triton Electronics, Inc.

Sept. 26, 1961 filed 108,000 common, of which 76,500 will be offered by the company and 31,500 by stockholders. **Price**—\$4.50. **Business**—Manufacture of magnetic recording tape and metallic yarns. **Proceeds**—For research and development, advertising, and working capital. **Office**—62-05 30th Ave., Woodside, N. Y. **Underwriter**—Netherlands Securities Co., Inc., and Seymour Blauner & Co., N. Y.

Tropical Gas Co., Inc.

Sept. 8, 1961 filed 135,000 common, to be offered for subscription by stockholders on the basis of one share for each six common held. **Price**—By amendment. **Proceeds**—For the repayment of debt, and working capital. **Office**—2151 Le Jeune Rd., Coral Gables, Fla. **Underwriter**—Glore, Forgan & Co., N. Y. (mgr.).

True Taste Corp.

Aug. 18, 1961 filed 200,000 common shares. **Price**—\$5. **Business**—The installation and operation of plant to process frozen concentrated juices in bulk. **Proceeds**—For installation of equipment and working capital. **Office**

—1206 Tower Petroleum Bldg., Dallas. **Underwriter**—Dallas Rupe & Son, Inc., Dallas (managing).

Turbodyne Corp.

May 10, 1961 filed 200,000 shares of common stock. **Price**—\$2 per share. **Business**—The research, development, manufacturing and marketing of space and rocket engines, and related activities. **Proceeds**—For research and development, and working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—To be named.

Ultra Plastics Inc.

Sept. 19, 1961 filed 150,000 class A common. **Price**—\$4. **Business**—The manufacture of outdoor plastic signs and urethane foam. **Proceeds**—For equipment, repayment of debt, inventory, additional personnel, advertising and working capital. **Office**—875 N. 28th St., Philadelphia. **Underwriter**—Amos Treat & Co., N. Y.

Union Rock & Materials Corp. (10/19)

Aug. 22, 1961 filed 160,000 common. **Price**—By amendment. **Business**—The company is engaged in the paving of roads and the sale of sand, crushed rock and transit-mix concrete. **Proceeds**—For the selling stockholders. **Office**—2800 S. Central Ave., Phoenix, Ariz. **Underwriter**—William R. Staats & Co., Los Angeles (mgr.).

Union Trust Life Insurance Co.

Sept. 25, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Sale of life, and health and accident insurance. **Proceeds**—For investment. **Office**—611 N. Broadway St., Milwaukee. **Underwriters**—H. M. Byllesby & Co., and Straus, Blosser & McDowell, Chicago.

United Exposition Service Co.

Sept. 22, 1961 filed 100,000 common, of which 40,000 will be offered by the company and 60,000 by stockholders. **Price**—By amendment. **Business**—Supplying of decorating, drayage, cleaning, and related services for trade shows, conventions, and similar expositions. **Proceeds**—For working capital, the repayment of debt and purchase of equipment. **Office**—Suite 705, Merchandise Mart, Chicago, Ill. **Underwriter**—Drexel & Co., Philadelphia.

United Improvement & Investing Corp.

Aug. 18, 1961 filed \$2,500,000 of 6% convertible subordinated debentures due 1976 to be offered for subscription by holders of common stock and series A warrants on the basis of \$100 of debentures for each 70 shares held. **Price**—By amendment. **Business**—General real estate. **Proceeds**—For general corporate purposes. **Office**—25 W. 43rd St., New York. **Underwriter**—Sutro Bros. & Co., New York (managing).

United Nuclear Corp.

Aug. 28, 1961 filed 325,000 common, of which 100,000 are to be offered by the company and 225,000 by stockholders. **Price**—By amendment. **Business**—Development and research in the nuclear field. **Proceeds**—For working capital and general corporate purposes. **Office**—365 Winchester Ave., New Haven, Conn. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y. C. (mgr.).

United Scientific Laboratories, Inc. (10/16-20)

Aug. 18, 1961 filed 360,000 common shares. **Price**—\$2. **Business**—The manufacture of high fidelity stereo tuners and amplifiers and amateur radio transceivers. **Proceeds**—For repayment of debt, increase in sales personnel, tooling and production and working capital. **Office**—35-15 37th Ave., Long Island City, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

United Servomation Corp.

Sept. 22, 1961 filed 355,000 common of which 150,000 shares will be offered by the company and 205,000 shares by stockholders. **Price**—By amendment. **Business**—Sale of food, tobacco products and beverages through automatic vending machines. **Proceeds**—For repayment of debt. **Office**—410 Park Ave., N. Y. **Underwriter**—Hemphill, Noyes & Co., N. Y.

United States Crown Corp.

Aug. 22, 1961 filed 150,000 common. **Price**—\$8. **Business**—The manufacture of specialized bottle caps. **Proceeds**—For equipment, working capital and general corporate purposes. **Office**—437 Boulevard, East Paterson, N. J. **Underwriter**—Adams & Peck, N. Y. (mgr.). **Offering**—Expected in November.

U. S. Dielectric Inc.

July 24, 1961 ("Reg. A") 99,990 common shares (par 10 cents). **Price**—\$3. **Business**—The manufacture and distribution of epoxy resins for potting uses. **Proceeds**—For repayment of loans, research and development, moving expenses and working capital. **Office**—140 Adams St., Leominster, Mass. **Underwriter**—Richard Bruce & Co., Inc., New York.

U. S. Markets, Inc. (10/10-11)

July 31, 1961 filed 200,000 common shares, of which 160,000 shares are to be offered by the company and 40,000 shares by a stockholder. **Price**—\$5. **Business**—The operation of a chain of supermarkets and other retail food stores in the San Francisco area. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—60 Fallon Street, Oakland, Calif. **Underwriter**—Stanley Heller & Co., N. Y.

United States Plastics, Inc.

Sept. 7, 1961 filed 190,000 common, of which 150,000 will be sold by the company and 40,000 by a stockholder. **Price**—\$3. **Business**—The sale of plastic items, power tools, adhesives, hardware, etc. **Proceeds**—To repay debt. **Office**—750 W. 18th St., Hialeah, Fla. **Underwriter**—Roman & Johnson, Fort Lauderdale (mgr.).

United Variable Annuities Fund, Inc.

April 11, 1961 filed 2,500,000 shares of stock. **Price**—\$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in early November.

Universal Electronics, Inc.

July 27, 1961 ("Reg. A") 213,000 common shares (par 10 cents). **Price**—\$1.15. **Office**—402 Minnesota Bldg., St. Paul. **Underwriter**—Brandtjen & Bayliss, St. Paul. **Offering**—Indefinitely postponed.

Universal Lighting Products, Inc.

Sept. 21, 1961 filed 175,000 common. **Price**—\$1. **Business**—Manufacturer of lighting fixtures and display and merchandising equipment for use in gasoline service stations. **Proceeds**—Repayment of debt and working capital. **Office**—55 Bergenline Ave., Westwood, N. J. **Underwriter**—Globus, Inc., N. Y. (mgr.).

Universal Publishing & Distributing Corp.

(10/2-6)
June 28, 1961 filed 50,000 6% cumulative preferred shares (par \$10) and 50,000 common shares to be offered in units, each consisting of one preferred share and one common share. **Price**—\$15 per unit. **Business**—The publishing of magazines and paper bound books. **Proceeds**—For expansion, additional personnel, sales promotion, working capital and other corporate purposes. **Office**—117 E. 31st St., N. Y. **Underwriter**—Allen & Co., N. Y.

Universal Rectifier Corp.

Sept. 5, 1961 ("Reg. A") 80,000 common. **Price**—\$3. **Business**—The development of high performance silicon rectifiers. **Office**—2055 Pontius, Los Angeles. **Underwriter**—Kerns, Bennett & Co., Inc., N. Y.

Universal Surgical Supply Inc. (10/23-27)

Aug. 1, 1961 filed 200,000 common shares, of which 100,000 will be offered for public sale and 100,000 to stockholders of Houston Fearless Corp., parent company, on the basis of one share for each 30 shares held of record Sept. 1. **Business**—The sale of medicine, surgical and laboratory equipment manufactured by others. **Proceeds**—For the repayment of debt. **Office**—9107 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis.

U-Tell Corp.

Sept. 18, 1961 ("Reg. A") 31,097 common. **Price**—\$5. **Business**—Operation of a discount department store. **Office**—3629 N. Teutonia Ave., Milwaukee, Wis. **Underwriter**—Continental Securities Corp., Milwaukee, Wis.

Valley Forge Products, Inc.

Sept. 15, 1961 filed 100,000 class A capital shares. **Price**—By amendment. **Business**—The manufacture of replacement ignition and other electrical components for automobiles. **Proceeds**—For working capital, new products and other corporate purposes. **Office**—370 19th St., Brooklyn, N. Y. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Valley Gas Production, Inc.

Sept. 22, 1961 filed 194,000 common. **Price**—By amendment. **Business**—Acquisition of natural gas and oil producing properties. **Proceeds**—Construction, repayment of debt and investment in subsidiaries. **Office**—583 M & M Bldg., Houston, Tex. **Underwriter**—White, Weld & Co., N. Y.

Valley Iron & Metal Co., Inc.

Aug. 28, 1961 ("Reg. A") 60,000 common. **Price**—\$4. **Business**—The buying, processing and selling of waste metals, papers, rags, etc. **Office**—11166 Pendleton St., Sun Valley, Calif. **Underwriter**—Gregory-Massari, Inc., Beverly Hills, Calif.

Valley Title & Trust Co.

June 13, 1961 filed 120,000 common shares. **Price**—\$5. **Business**—The writing and selling of title insurance and the acting as trustee and escrow agent. **Proceeds**—For working capital, reserves and other corporate purposes. **Office**—1001 North Central Ave., Phoenix, Ariz. **Underwriter**—Louis R. Dreyling & Co., 25 Livingston Ave., New Brunswick, N. J. **Offering**—Imminent.

Val-U Homes Corp. of Delaware

Aug. 28, 1961 filed 100,000 common. **Price**—\$5. **Business**—The manufacture of prefabricated buildings and shell homes. **Proceeds**—For working capital. **Office**—765 River St., Paterson, N. J. **Underwriter**—Stearns & Co., N. Y. C. (mgr.). **Offering**—In early November.

Van-Pak, Inc.

Sept. 15, 1961 filed 140,000 common. **Price**—\$15. **Business**—A nation-wide and overseas non-regulated freight forwarder engaged in the forwarding of household goods. **Proceeds**—To repay debt, purchase metal containers, and increase working capital. **Office**—542 Insurance Exchange Bldg., Des Moines, Iowa. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Varitron Corp.

July 25, 1961 filed 100,000 shares of common stock. **Price**—\$2. **Business**—The manufacture of electronic items, principally TV and radio parts. **Proceeds**—For equipment, financing of merchandise, imports and accounts receivable and working capital. **Office**—397 Seventh Ave., Brooklyn, N. Y. **Underwriter**—Kenneth Kass, N. Y. **Offering**—Expected late October.

Vending International, Inc.

July 27, 1961 ("Reg. A") 70,588 common shares (par 10 cents). **Price**—\$4.24. **Proceeds**—For repayment of debt, expansion and a new building. **Office**—c/o Brownfield, Rosen & Malone, 1026-16th St., N. W., Washington, D. C. **Underwriter**—H. P. Black & Co., Inc., Wash., D. C.

Vendotronics Corp.

Sept. 1, 1961 ("Reg. A") 150,000 common. **Price**—\$2. **Business**—The manufacture of automatic popcorn vending machines. **Proceeds**—For repayment of loans, advertising, inventory, working capital and general corporate purposes. **Office**—572 Merrick Rd., Lynbrook, N. Y. **Underwriter**—B. G. Harris & Co., Inc., N. Y.

Vic Tanny Enterprises, Inc. (10/2-6)

May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares will be of-

Continued on page 46

Continued from page 45

ferred for the account of the company and 200,000 shares by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Proceeds**—The company will use its part of the proceeds for the opening of new gymnasiums and the promotion of home exercise equipment. **Office**—375 Park Ave., New York City. **Underwriter**—S. D. Fuller & Co., N. Y. C.

Vol-Air, Inc.

July 27, 1961 ("Reg. A") 96,000 common shares (par one cent). **Price**—\$2.50. **Business**—The manufacture of a patented heat and mass transfer system. **Proceeds**—For equipment, filing of patents, inventory, advertising and promotion. **Address**—347 Madison Avenue, New York. **Underwriter**—Glass & Ross, Inc., N. Y.

Voron Electronics Corp. (10/16-20)

July 28, 1961 filed 100,000 class A shares. **Price**—\$3. **Business**—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. **Proceeds**—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. **Office**—1230 E. Mermaid Lane, Wyndmoor, Pa. **Underwriters**—John Joshua & Co., Inc., and Reuben Rose & Co., New York.

Wainrite Stores, Inc.

June 23, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The operation of discount merchandising centers. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—691 E. Jericho Turnpike, Huntington Station, N. Y. **Underwriter**—Omega Securities Corp., New York. **Offering**—Imminent.

Wald Research, Inc.

July 26, 1961 filed 65,000 common shares. **Price**—\$5. **Business**—The manufacture of ground support equipment for the aircraft, missile and related industries. **Proceeds**—For repayment of loans, purchase of equipment and inventory, working capital and general corporate purposes. **Office**—79 Franklin Turnpike, Mahwah, N. J. **Underwriters**—Martinelli & Co., New York and E. R. Davenport & Co., Providence, R. I.

Walter Sign Corp.

March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Business**—The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promotion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

Wards Co., Inc.

Sept. 15, 1961 filed 110,000 common. **Price**—By amendment. **Business**—The retail sale of radios, TV sets, refrigerators, stoves, air conditioners, etc. **Proceeds**—For working capital and other corporate purposes. **Office**—2049 West Broad St., Richmond, Va. **Underwriter**—Stein Bros. & Boyce, Baltimore.

Warshaw (H.) & Sons, Inc. (10/23-27)

Aug. 30, 1961 filed 285,000 class A. **Price**—By amendment. **Business**—The manufacture of fabrics for women's wear. **Proceeds**—For the selling stockholders. **Office**—45 W. 36th St., N. Y. **Underwriters**—Lee Higginson Corp. and P. W. Brooks & Co., Inc., N. Y. (mgrs.).

Water Industries Capital Corp. (10/2-6)

July 21, 1961 filed 750,000 common. **Price**—\$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—122 E. 42nd St., N. Y. **Underwriter**—Hornblower & Weeks, N. Y. (mgr.).

Waterman Steamship Corp.

Aug. 29, 1961 filed 1,743,000 common. **Price**—By amendment. **Business**—The carrying of liner-type cargoes. **Proceeds**—For the purchase of vessels, and working capital. **Office**—71 Saint Joseph St., Mobile, Ala. **Underwriter**—Shields & Co. Inc., N. Y. (mgr.).

Watson Electronics & Engineering Co., Inc.

July 25, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—\$4. **Proceeds**—For manufacturing, laboratory and office facilities, equipment and working capital. **Office**—2603 S. Oxford St., Arlington, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Weissberg (H. R.) Corp.

Aug. 28, 1961 filed 250,000 class A common. **Price**—By amendment. **Business**—The operation of hotels, and general real estate. **Proceeds**—For repayment of loans, acquisition and general corporate purposes. **Office**—680 Fifth Ave., N. Y. **Underwriter**—Troster, Singer & Co., N. Y. C. (mgr.).

West Coast Bowling Corp.

May 26, 1961 filed 128,434 shares of common stock, of which 115,000 shares are to be offered for public sale by the company and 13,434 outstanding shares by the present holders thereof. **Price**—\$9.75 per share. **Business**—The company plans to acquire and operate bowling centers primarily in California. **Proceeds**—For general corporate purposes. **Office**—3300 West Olive Avenue, Burbank, Calif. **Underwriter**—Hill Richards & Co. Inc., Los Angeles (managing).

Western Factors, Inc.

June 29, 1960 filed 700,000 shares of common stock. **Price**—\$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office**—1201 Continental Bank Bldg., Salt Lake City, Utah. **Underwriter**—Elmer K. Aagaard, 6 Salt Lake Stock Exchange Bldg., Salt Lake City.

Westland Capital Corp.

Sept. 21, 1961 filed 985,500 common. **Price**—\$11. **Business**—A small business investment company. **Proceeds**—For working capital. **Office**—9229 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Bear, Stearns & Co., N. Y.

Wilco Commercial Corp.

July 21, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The financing of business institutions. **Proceeds**—For working capital. **Office**—350 Fifth Avenue, New York. **Underwriter**—A. J. Gabriel Co., Inc., N. Y. **Offering**—Imminent.

Winchell Doughnut House, Inc.

Sept. 26, 1961 filed 90,000 common. **Price**—By amendment. **Business**—Selling doughnut mixers to franchised operators of doughnut shops leased from the company. **Proceeds**—For the selling stockholder. **Office**—1140 W. Main St., Alhambra, Calif. **Underwriter**—McDonnell & Co., Inc., N. Y.

Windsor Texprint, Inc. (10/23-27)

Aug. 25, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by stockholders. **Price**—\$2. **Business**—The printing of towels and other textile products. **Proceeds**—For repayment of loans. **Office**—2357 S. Michigan Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. C.

Wisconsin Natural Gas Co. (10/18)

Sept. 20, 1961 filed \$4,000,000 of first mortgage bonds due 1986. **Proceeds**—For expansion, and the repayment of bank loans. **Office**—100 Third Ave., Racine, Wis. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co.; Kidder, Peabody & Co.; White, Weld & Co. (jointly). **Bids**—Expected Oct. 18.

Wonderbowl, Inc. (10/23)

Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par (\$2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. **Office**—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

Wood Manufacturing Co., Inc.

July 24, 1961 ("Reg. A") 250,000 common shares (par \$1). **Price**—\$1.15. **Proceeds**—For working capital, repayment of loans, purchase of equipment, advertising and building construction. **Office**—1035 Chestnut St., Conway, Ark. **Underwriter**—J. P. Penn & Co., Minn.

Woodard Research Corp. (10/2-4)

June 23, 1961 ("Reg. A") 40,000 common. **Price**—\$4. **Proceeds**—For constructing and equipping a laboratory, and for working capital. **Office**—34 Station St., Herndon, Va. **Underwriter**—First Investment Planning Co., Washington, D. C.

World Scope Publishers, Inc.

July 31, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The publishing of encyclopedias and other reference books. **Proceeds**—For repayment of debt, working capital and general corporate purposes. **Office**—290 Broadway, Lynbrook, N. Y. **Underwriter**—Standard Securities Corp., New York.

World Wide Bowling Enterprises, Inc. (10/10)

July 20, 1961 filed 130,000 common shares. **Price**—\$4. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, expansion and working capital. **Office**—2044 Chestnut Street, Philadelphia. **Underwriter**—Fraser & Co., Philadelphia.

Worldwide Fund Ltd.

Sept. 19, 1961 filed 100,000 common. **Price**—\$100. **Business**—The Fund plans to invest primarily in equity securities of foreign issuers. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Burnham & Co., N. Y.

Yankee Plastics, Inc.

Sept. 8, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The manufacture of plastic hangers and forms. **Proceeds**—For the acquisition of manufacturing facilities, repayment of debt and working capital. **Office**—29 W. 34th St., N. Y. **Underwriter**—Sunshine Securities Inc., Rego Park, N. Y.

Zep Aero (10/16)

July 28, 1961 filed 50,000 common shares, of which 30,000 shares are to be offered by the company and 20,000 shares by a stockholder. **Price**—By amendment. **Business**—The manufacture of oxygen systems and accessories for aircraft. **Proceeds**—For inventory, plant improvement, equipment and working capital. **Office**—113 Sheldon St., El Segundo, Calif. **Underwriter**—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

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Prospective Offerings**Aluma-Rail, Inc.**

Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—\$3. **Business**—The manufacture of new color anodized aluminum chain link fencing. **Proceeds**—For inventory and plant expansion. **Office**—44 Passaic Ave., Kearny, N. J. **Underwriter**—Omega Securities Corp., N. Y.

Appalachian Power Co.

Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell \$35,000,000 to \$40,000,000 of bonds late in 1961 or early in 1962. **Office**—2 Broadway, New York City. **Underwriters**

—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

Arizona Public Service Co.

Sept. 11, 1961 it was reported that this company plans to sell about \$35,000,000 of first mortgage bonds in November. **Office**—501 So. Third Ave., Phoenix, Ariz. **Underwriters**—To be named. The last sale of bonds on March 26, 1959 was handled privately through Blyth & Co., and First Boston Corp. However, the company stated that there is a possibility that these bonds will be sold at competitive bidding, in which case the following are expected to bid on them: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; First Boston Corp.; Blyth & Co.; White, Weld & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc.

Bay State Electronics Corp.

Aug. 2, 1961 it was reported that this company plans to file a registration shortly covering about 270,000 common shares to raise some \$2,500,000. **Business**—Research, development and production of items in the fields of medical electronics, etc. **Proceeds**—For expansion and working capital. **Office**—43 Leon St., Boston, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing).

Broad Street Trust Co.

Sept. 22, 1961 it was reported that stockholders had approved an increase in capital stock and sale of about 69,370 additional shares to stockholders on the basis of one new share for each 12 held of record Oct. 9, with rights to expire Oct. 30. **Price**—\$32.50. **Office**—Broad and Thompson Sts., Philadelphia. **Underwriters**—Stroud & Co., and Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia.

Bush Terminal Co.

Sept. 15, 1961 it was reported that registration will be filed shortly covering about 90,000 common to be offered to stockholders through subscription rights on the basis of one new for each 10 held. **Business**—The operation of warehouses, manufacturing buildings, piers and railroad facilities. **Office**—100 Broad St., N. Y. **Underwriter**—The company said it may make the offering without an underwriter.

Carbonic Equipment Corp.

June 28, 1961 it was reported that a "Reg. A" will be filed covering 100,000 common shares. **Price**—\$3. **Proceeds**—For expansion of the business. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter**—R. F. Dowd & Co., Inc.

Carolina Power & Light Co. (11/16)

Sept. 27, 1961 it was reported that this company plans to sell \$25,000,000 of bonds in November. **Office**—336 Fayetteville St., Raleigh, N. C. **Underwriters**—(Competitive), Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co. Inc.; Lehman Brothers and Blyth & Co. Inc. (jointly); Kuhn, Loeb & Co.-Equitable Securities Corp. (jointly); W. C. Langley & Co. and First Boston Corp. (jointly).

Chicago, Burlington & Quincy RR. (10/31)

Sept. 19, 1961 it was reported that this company plans to sell \$2,400,000 of equipment trust certificates in October. **Offices**—5747 W. Jackson Blvd., Chicago and 39 B'way, N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—Expected Oct. 31.

Consolidated Edison Co. of New York, Inc. (11/21)

Aug. 28, 1961 it was reported that this company plans to sell about \$50,000,000 of first mortgage bonds due Nov. 1, 1991. **Office**—4 Irving Pl., N. Y. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Nov. 21, 1961 at 11 a.m. (EST). **Information Meeting**—Nov. 15 (10 a.m. EST) at the company's office.

Contact Lens Guild, Inc.

June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering an undisclosed number of common shares. **Business**—The manufacture of contact lenses. **Office**—353 East Main St., Rochester, N. Y. **Underwriter**—To be named. **Offering**—Expected in Dec.

Dallas Power & Light Co. (11/15)

Sept. 19, 1961 it was reported that this company plans to sell \$10,000,000 of preferred stock in November. **Office**—1506 Commerce St., Dallas, Tex. **Underwriters**—(Competitive). Probable bidders: White, Weld & Co.-Equitable Securities Corp. (jointly); Eastman Dillon, Union Securities & Co.; Lehman Brothers; Blyth & Co., Inc.; Harriman Ripley & Co., Inc.-Kidder, Peabody & Co. (jointly); First Boston Corp. **Bids**—Expected Nov. 15 at 11 a.m. (EST). **Information Meeting**—Nov. 13 (11 a.m. EST) at 2 Rector St., N. Y. (Room 240).

Delaware Power & Light Co.

Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about \$14,600,000. **Proceeds**—For construction. **Office**—600 Market St., Wilmington, Del. **Underwriter**—(Competitive). Probable bidders: Carl M. Loeb, Rhoades & Co., N. Y.; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Delta Air Lines, Inc.

Sept. 19, 1961 it was reported that this company plans to file a registration shortly covering an undisclosed number of common shares. **Office**—Atlanta Airport, Atlanta, Ga. **Underwriter**—Courts & Co., Atlanta.

Diversified Vending, Inc.

Sept. 13, 1961 it was reported that a registration statement will be filed shortly covering 100,000 common. **Price**—\$4. **Business**—The servicing of vending machines and coin operated kiddy-rides. **Proceeds**—For equipment, inventory and general corporate purposes. **Office**—Philadelphia, Pa. **Underwriter**—T. Michael McDarby & Co., Inc., Washington, D. C.

Electro Spectrum Corp.

Sept. 14, 1961 it was reported that this company plans to file a "Reg. A" covering 100,000 common. **Price**—\$3. **Business**—Research, development, manufacture and marketing in the fields of optics, electronics, chemistry and photography. **Proceeds**—For organizational expenses, building lease, machinery, inventory and working capital. **Office**—300 Gramatan Ave., Mt. Vernon, N. Y. **Underwriter**—Harry Rovno (same address).

★ First Pennsylvania Banking & Trust Co.

Sept. 27, 1961 it was reported that stockholders are to vote Nov. 6 on a proposed 2-for-1 stock split and sale of 394,975 shares to stockholders on the basis of one new share for each 12 held. **Office**—Philadelphia, Pa. **Underwriters**—Drexel & Co., Philadelphia; Merrill Lynch, Pierce, Fenner & Smith Inc., and Smith, Barney & Co., N. Y.

Florida Power & Light Co.

Sept. 18, 1961, it was reported that the company may issue \$25,000,000 of bonds in the second half of 1962. **Office**—25 S. E. 2nd Ave., Miami, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

★ General Telephone Co. of California (12/11)

Sept. 27, 1961 it was reported that this company plans to sell \$20,000,000 of bonds in December. **Office**—2020 Santa Monica Blvd., Santa Monica, Cal. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Equitable Securities Corp. (jointly); White, Weld & Co.; Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis; Stone & Webster Securities Corp. **Bids**—Expected Dec. 11.

General Telephone Co. of Florida

Aug. 15, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about \$15,000,000 of bonds in January 1962. **Office**—610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

Georgia Bonded Fibers, Inc.

Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and N. Y. C.

Mainco Electronics & Marine Development Corp.

July 17, 1961 it was reported that a "Reg. A" will be filed shortly covering \$300,000 of common stock. **Proceeds**—For general corporate purposes. **Address**—Booth Bay Harbor, Maine. **Underwriter**—Nance-Keith Corp., New York City.

Masters Inc.

Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

Metropolitan Edison Co.

Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about \$10,000,000 of first mortgage bonds and \$5,000,000 of debentures this fall. **Office**—2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Mutual Photocolor Laboratories, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. **Business**—The development of pictures and the sale of photographic equipment and supplies. **Proceeds**—For expansion. **Office**—29-14 Northern Blvd., Long Island City, N. Y. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

New England Power Co. (10/25)

Jan. 20, 1961 it was reported that this subsidiary of New England Electric System plans to sell \$20,000,000 of first mortgage bonds. **Office**—441 Stuart St., Boston 16, Mass. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp., and Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—To be received on Oct. 25, 1961 at 11 a.m. (EDST).

New World Laboratories, Inc.

Aug. 22, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. **Price**—\$3. **Business**—The manufacture of cosmetics. **Proceeds**—For purchase of equipment and inventory and general corporate purposes. **Office**—Washington, D. C. **Underwriter**—T. Michael McDarby & Co., Inc., Washington, D. C.

Niagara Mohawk Power Co. (10/24)

Sept. 13, 1961 it was reported that this company plans to sell \$40,000,000 of general mortgage bonds and 700,000 common shares in late October. **Offices**—300 Erie Blvd., West, Syracuse, N. Y., and 270 Park Ave., N. Y. C. **Underwriters**—(Competitive). Probable bidders: (Bonds) First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co., Inc. (Common) Merrill Lynch, Pierce, Fenner & Smith, Inc.; Kidder, Peabody & Co.; White, Weld & Co. (jointly). Morgan, Stanley & Co.—First Boston Corp.

(jointly). **Bids**—Expected Oct. 24. **Information meeting**—Oct. 20 (11 a.m. EDST) in Room 232, 120 Broadway, N. Y.

Northern Natural Gas Co.

Sept. 18, 1961 it was reported that this company plans to sell about \$25,000,000 of common stock to stockholders through subscription rights in the second quarter of 1962. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—Blyth & Co., Inc., N. Y. (mgr.).

Pacific Lighting Corp.

Jan. 3, 1961 it was reported by Paul A. Miller, Treasurer that the company will probably go to the market for \$20,000,000 to \$40,000,000 of new financing in 1961 and that it probably would not be a common stock offering. **Office**—600 California St., San Francisco 8, Calif.

Pacific Northwest Bell Telephone Co. (11/15)

Aug. 25, 1961 in a registration statement filed with the SEC covering 17,459,490 common to be offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent, it was announced that Pacific Northwest plans to sell an additional 12,990,510 by June 30, 1964, and several issues of debentures to refund a \$200,000,000 4½% demand note issued to Pacific Tel. & Tel. The first of such issues, in the amount of \$50,000,000, is expected to be sold in Nov. **Office**—1200 Third Ave., Seattle, Wash. **Underwriters**—For the stock, none. For the debentures, to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley & Co. **Bids**—Expected Nov. 15. **Information Meeting**—Nov. 9 (2:30 p.m. EST) in Room 1900, 195 Broadway, N. Y.

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures in the late Fall, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Penn Amusement Corp.

Aug. 22, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 100,000 common shares. **Price**—\$3. **Business**—The company furnishes mobile (truck) amusement rides for children. **Proceeds**—To operate a new type truck and set up national distributorships. **Office**—Brooklyn, N. Y. **Underwriter**—J. Laurence & Co., New York City.

Rochester Gas & Electric Corp. (11/14)

Aug. 15, 1961 the company stated it plans to issue about \$15,000,000 of 30-year bonds in November. **Proceeds**—For construction. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Brothers & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc., The First Boston Corp. **Bids**—Expected Nov. 14 at 11 a.m. (EST).

Public Service Co. of Colorado

Aug. 22, 1961 it was reported that the previously announced plan to sell about \$20,000,000 of common stock to stockholders through subscription rights had been postponed until about June 1962. **Office**—900 15th St., Denver, Colo. **Underwriter**—To be named. The last equity financing was handled on a negotiated basis by First Boston Corp.

Radar Design Corp.

Aug. 22, 1961 it was reported that this company plans to sell about 15,000 common shares in the fiscal year ending June 30, 1962. **Business**—The company's products are used both as test instruments and as components in production of microwave systems. **Proceeds**—For working capital. **Office**—Pickard Drive, Syracuse, N. Y. **Underwriter**—The last public offering of stock in Dec. 31, 1960 was not underwritten.

San Diego Gas & Electric Co.

Sept. 12, 1961 it was reported that this company plans to sell about 500,000 common to stockholders in mid-1962 to raise some \$17,500,000. **Office**—861 Sixth Ave., San Diego, Calif. **Underwriter**—Blyth & Co., Inc., N. Y.

Servonuclear Corp.

Aug. 9, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. **Price**—\$2. **Business**—The manufacture of medical electronic equipment. **Proceeds**—For expansion. **Office**—28-21 Astoria Boulevard, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

Shenk Industries, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. **Business**—The re-manufacture and distribution of automobile parts. **Proceeds**—For the repayment of loans and expansion. **Office**—Columbus, O. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Silo Discount Centers

Sept. 6, 1961 it was reported that company plans to sell about \$1,000,000 of common stock. **Business**—The operation of a chain of hard goods, discount department stores. **Office**—Philadelphia, Pa. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Jersey City.

Sonic Systems, Inc.

Sept. 13, 1961 it was reported that a "Reg. A" will be filed shortly covering 65,000 common. **Price**—\$2. **Business**—The manufacture of ultra-sonic cleaning equipment, systems and transducers. **Proceeds**—For expansion and working capital. **Office**—1250 Shames Dr., Westbury, N. Y. **Underwriter**—Keene & Co., Inc., N. Y.

Southern Natural Gas Co.

Oct. 28, 1960 it was reported by Mr. Loren Fitch, company comptroller, that the utility is contemplating the sale of \$35,000,000 of 20-year first mortgage bonds some-

Dividend Advertising Notices Appear on Page 16.

time in 1961, with the precise timing depending on market conditions. **Proceeds**—To retire bank loans. **Office**—Watts Building, Birmingham, Ala. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Blyth & Co. and Kidder, Peabody & Co. (jointly). **Offering**—Expected in October.

★ Southern Railway Co. (11/14)

Sept. 19, 1961 it was reported that this company plans to sell \$4,200,000 of equipment trust certificates in November. **Office**—70 Pine St., N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Halsey, Stuart & Co., Inc. **Bids**—Expected Nov. 14.

Subway Bowling & Recreation Enterprises, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$1,200,000 of common stock. **Business**—The company has an exclusive franchise from the City of New York to build bowling and recreation centers in the subways. **Proceeds**—To build the first three centers. **Office**—New York City. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City.

Teeco Automated Systems, Inc.

Aug. 9, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. **Price**—\$3. **Business**—The custom, design, manufacture and installation of automated material handling systems for large wholesale and retail establishments and industry. **Proceeds**—For expansion. **Office**—42-14 Greenpoint Avenue, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

Valtronic Corp.

Sept. 6, 1961 it was reported that a "Reg. A" will be filed shortly covering 62,500 common shares. **Price**—\$4. **Business**—The design, engineering and manufacture of medical and dental equipment. **Proceeds**—For expansion. **Office**—375 Walton Ave., Bronx, N. Y. **Underwriters**—Cacchione & Smith, Inc., and Fred F. Sessler & Co., N. Y.

Virginia Electric & Power Co. (12/5)

March 23, 1961, the company announced plans to sell \$15,000,000 of securities, possibly bonds or debentures. **Office**—Richmond 9, Va. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on Dec. 5, 1961.

West Coast Telephone Co.

April 11, 1961 it was stated in the 1960 annual report that the company plans to spend \$12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. **Office**—1714 California Street, Everett, Wash. **Underwriter**—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

West Penn Power Co. (3/5)

Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about \$25,000,000 of bonds in 1962. **Office**—800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected March 5, 1962.

Western Union Telegraph Co.

Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about \$4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of \$100 of debentures and 10 shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph would purchase 250,000 shares of class B stock for \$100,000 and WUI would sell \$4,500,000 of debentures or bonds. **Office**—60 Hudson Street, New York City. **Underwriter**—American Securities Corp. (managing).

Wisconsin Michigan Power Co. (11/14)

Sept. 12, 1961 it was reported that this company plans to sell \$4,000,000 of first mortgage bonds in November. **Office**—231 W. Michigan Ave., Milwaukee. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler, Halsey, Stuart & Co., Inc.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected Nov. 14.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—Developments are taking place so rapidly at the National Aeronautics and Space Administration that it is difficult to keep track of them.

The simple facts are that the space business is growing at such a pace that it is nothing short of sensational. A casual study of the contracts awarded by NASA for a two-month period, recently released, borders on the fantastic.

It is strongly apparent that companies that are jumping into the space business are going to grow and grow. Of course many of them starting up will fall by the wayside, just as many automobile companies of decades ago went out of business.

Two new facility site selections by NASA in connection with our country's decade-long program to carry a crew of American astronauts to the moon and back, have been made recently, and others, of lesser consequence, will be made in the future. New Orleans and Houston (both with ocean-going waterways and minus ice and snow in the winter time, have been chosen.

Eventually thousands of persons will be employed at New Orleans for the fabrication and assembly of large launch vehicle stages. This work will be done on the big \$100,000,000 Government-owned surplus plant on an 846-acre site. Houston, now the South's largest city with a population of 1,000,000, was selected for NASA's new \$60,000,000 manned space flight laboratory which Congress authorized this year. The laboratory will be the command center for the manned lunar landing mission. A tremendous amount of research will be conducted there.

Only recently NASA also announced the expansion of the Atlantic missile range at Cape Canaveral, Fla., as the launch site for the large space vehicles to be constructed in the long and difficult goal ahead.

Everybody knows that we would like to beat Russia to the moon, if we can, but even if we are not first we are going to the moon probably by the end of this decade, according to NASA scientists.

Official Washington now recognizes that the great adventure is no longer a science fiction fantasy. The overall goal is not only to explore the moon, estimated at 240,000 miles from earth, but the planets far beyond.

A \$50 Billion Ticket?

There are already thousands of scientists, engineers and technicians at work on the research in private industry and the military. Yet the number of space scientists may double in another 10 years. There must be research and more research before the team of American astronauts head for the moon.

Congress has appropriated \$1.6 billion for the current fiscal year. It appears likely that next year the appropriations will be greater. James E. Webb, the administrator for NASA, a native of Tally Ho, N. C., forecasts that within the next 10 years or less our country will spend \$35 billion or more in advancing science and technology. There are some estimates that more than \$50 billion will be spent in man's greatest adventure.

Thus it is obvious that the space industries will continue to grow at a marked pace.

Mr. Webb, a man in his mid-50's, said: "I think men are going to the moon, I think we will go as soon as we can, and if the Russians

weren't pushing us we'd find another reason. It is possible to impede progress, but not for very long."

The administrator also declared that if other nations learn how to operate in space so as to impair our national security, we will be in danger. Therefore, if it is possible for our country to utilize this new medium, we must find out how to do it.

Scientist Bush Among Program's Critics

While there are many proponents of the lunar program, there are numerous critics of the entire program. Some of the critics are from well informed scientists. Dr. Vannevar Bush, described as an elder statesman in the scientific field, has questioned the project's value.

"There is nothing a man can do in space," said Dr. Bush, "that cannot be better done better and more cheaply by instruments. Suppose it cost \$1 billion to put a man on the moon. For the same money you could support 1,000 research projects for 40 years."

"... There is very little scientific knowledge to be gained by rushing to hurdle men into space. To me such exploits are little more than stunts that appeal to the gladiator instincts."

The House Committee on Science and Astronautics, which was created in 1958 and which is growing more and more in importance, has issued a report for a special reason: explain to the taxpayer just why so many of his dollars are going into the effort to explore space, and to indicate what he can expect in return.

For the Defense

The report pointed out that there is still a segment of the U. S. population which has little, if any, notion of the values the space program hold for the average citizen. To these people "the highly advertised race to the moon may seem merely to be a somewhat immature exercise in scientific muscle flexing by the United States and the U. S. S. R."

"The expenditure of billions of dollars," the report declared, "on missiles, rockets, satellites, Venus probes and other space activities remains something of a mystery—particularly when so many other worthwhile projects throughout the land may be slowed or stalled for lack of funds."

"There is no question that we are spending a great deal of money on space activities. Since October 1, 1958, when the United States first began these activities in earnest, the space budget has grown to the point where it is one of the largest single programs being carried out by the National Government. It is, in fact, exceeded only by a few Federal activities such as our defense effort, the program of veterans' affairs, and social security. . . . Within two or three years we expect to spend more for space exploration than it cost to run the entire Federal Government 30 years ago."

The House Committee report pointed out the obvious fact no matter where taxpayers live they want to know, and are entitled to know—what good a program of space exploration is to them.

Everyone will be interested in knowing that the Congressional committee is convinced that during the present decade our government is going to spend from \$40 billion to \$70 billion on space



"Here's something that will take your mind off your stock market losses, dear—it's a mink coat I just bought!"

exploration for all purposes, civilian and military.

Industry's Stake

The space exploration seemingly holds absolute significance for the security and well being of this nation. But the experts in Washington maintain that there are many more reasons why the space exploration should go forward. These include a strengthened national economy, new jobs and job categories, better living, etc. Of course some of the things we now know probably will be regarded as insignificant as compared with discoveries of the future.

Official Washington recognizes that there will be many fortunes made and lost in the space exploration companies. There are hundreds of companies from the biggest to small ones that are accelerating their activities in the space program.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

With Schmidt, Sharp

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—James W. Bates is now with Schmidt, Sharp, McCabe & Co. Inc., 1717 Stout St. He was previously with McRae Securities.

Vidrine in Inv. Business

PHOENIX, Ariz.—Kirby L. Vidrine is resuming the investment business from offices at 3300 North Central Ave., under the firm name of Kirby L. Vidrine Co.

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COMING EVENTS

IN INVESTMENT FIELD

Sept. 29, 1961 (Philadelphia, Pa.) Bond Club of Philadelphia 36th annual field day at the Philmont Country Club, Philmont, Pa.

Oct. 3, 1961 (Detroit, Mich.) Bond Club of Detroit Annual Fall Outing at Lochmoor Country, Grosse Pointe Woods, Mich.

Oct. 4, 1961 (New York City) New York Group of Investment Bankers Association annual dinner and meeting at the Waldorf-Astoria Hotel.

Oct. 6, 1961 (Rockford, Ill.) Rockford Security Dealers Association annual fling-ding at the "New Key" Club, Wagon Wheel Lodge, Rockton, Ill.

Oct. 7, 1961 (New York City) Security Traders Association of New York annual dinner dance at Hotel Commodore.

Oct. 9-10, 1961 (Denver, Colo.) Association of Stock Exchange Firms, Fall meeting of Board of Governors at the Brown Palace Hotel.

Oct. 9-12, 1961 (Rochester, N. Y.) National Association of Bank Women Annual Convention at the Sheraton Hotel.

Oct. 10, 1961 (Toronto) Canadian Group of Investment Bankers Association meeting.

Oct. 13, 1961 (Montreal, Canada) Canadian Group of Investment Bankers Association meeting.

Oct. 13-15, 1961 (White Sulphur Springs, W. Va.) Southeastern Group of Investment Bankers Association meeting.

Oct. 15-18, 1961 (San Francisco, Calif.) American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.) National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Oct. 17, 1961 (Detroit, Mich.) Michigan Group of Investment Bankers Association meeting.

Oct. 19, 1961 (Pennsylvania) Western Pennsylvania Group of Investment Bankers Association meeting at Rolling Rock, Pa.

October 20-21, 1961 (Milwaukee, Wis.) National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul) Minnesota Group of Investment Bankers Association annual meeting.

Oct. 26, 1961 (Louisville, Ky.) Ohio Valley Group of Investment Bankers Association annual meeting.

Nov. 26-Dec. 1, 1961 (Hollywood, Fla.) Investment Bankers Association Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City) National Association of Mutual Savings Banks 15th annual mid-year meeting.

April 8-10, 1962 (San Antonio, Tex.) Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

May 6-9, 1962 (Seattle, Wash.) National Association of Mutual Savings Banks 42nd annual conference at the Olympic Hotel.

Sept. 23-26, 1962 (Atlantic City, N. J.) American Bankers Association annual convention.

April 27-May 1, 1963 (Boston, Mass.) National Association of Mutual Savings Banks 43rd annual conference at the Hotel Statler.

Granbery, Marache Opens San Francisco Office

SAN FRANCISCO, Calif.—Continuing an expansion program started in 1959, Granbery, Marache & Co., investment banking and brokerage house with headquarters in New York, has established its first western office in San Francisco, to engage in a general securities and underwriting business.

The office, in the Equitable Building, is under management of Richard S. Nair, formerly with the San Francisco office of Blyth & Co., Inc. Assistant Manager is Edward W. Thomas, formerly with Merrill Lynch, Pierce, Fenner & Smith Inc.

Attention Brokers and Dealers

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